

## General overview

1. Does your bank consider climate change material to your business/operations (financial, operational, and/or E&S impact)?

a. No

Yes. CSR. We somewhat manage the climate risk into our business operation in limited scale (i.e. prohibited list). We are on initial preparation stage to implement climate change risk according to direction of Bank of Thailand and Thai Bank Association.

c. Yes, acknowledged as impactful to financial or operational bottom line

d. Yes, managed as part of business operation

2. My institution considers climate change risks to be one of the top 3 business risks.

	<i>Strongly agree</i>
	<i>Agree</i>
<input checked="" type="checkbox"/>	<i>Neither agree nor disagree</i>
	<i>Disagree</i>
	<i>Strongly disagree</i>
	<i>Not applicable</i>

3. Please explain how your organization thinks about climate change in terms of relevance and materiality to your business (both risks and opportunities):

[Please describe here]

Currently, the Bank focuses primarily on ESG which is a boarder framework whereas we primatively focus on Climate Change.

Understand the relevance and materiality of climate change to the business is essencial to our financial performance, strategic positioning, and sustainability in term of risks and opportunities.

To prepare the Bank for climate change involves a proactive approach to managing both risks and opportunities thru conducting a thorough risk assessment, developing a strategic plan, adopting sustainable practices, engaging with stakeholders, and investing in innovation. Those require effort and expertise which we are on preparation stage.

## Questionnaire for Climate Change

4. How does your relevant financial authority approach the reduction of climate-related financial risks? *[Select all that apply]*
- a. Assess how climate-related risks are managed by financial institutions
  - b. Take actions to encourage financial institutions to mitigate climate-related risks
  - c. Consider climate risks in their financial stability monitoring
  - d. Quantify climate risks in the financial sector/economy
  - e. Conduct scenario analysis
  - f. Provide support for mitigating climate-related risk to financial stability
  - g. Other. Please specify \_\_\_\_\_ Issuing the climate change regulation framework.
  - h. None
5. Please describe any mandatory climate risk-related measures that you undertake due to existing or upcoming regulations in your jurisdictions (e.g., scenario analysis, mandatory climate risk disclosure, stress testing etc.).

[Please describe here]

Currently, there is no mandatory measures for small banks. Our regulator recently introduces to the D-SIB's and will roll out to all commercial banks in near future. The current regulatory framework is to undertake in form of climate risk factors on supervisor stress test.

## Governance

6. Does your organization's Board and/or Management oversee the management of climate risk and opportunities in a structured or institutionalized manner?
- a. Board
  - b. Management
  - c. Both
  - d. Neither
  - e. Other: \_\_\_\_\_
7. What are the lines of reporting and oversight within your organization on climate-related risks and opportunities? Please select all that apply.
- a. Board and/or Management has set up KPIs and incentives for identifying and addressing climate-related risks and opportunities There is a robust oversight from Management and a well-established escalation process
  - b. Board is briefed on climate change-related matters annually/quarterly/ \_\_\_\_\_
  - c. There are specific committees at Board level with oversight on climate risks and opportunities, and Board has formally assigned responsibility on climate change to Management
  - d. No formal process yet but the process of creating a formal governance system for climate (different from ESG) has begun
  - e. There are lines of disclosure and reporting but not oversight or accountability from the management/board

## Questionnaire for Climate Change

- No, neither Board nor Management is materially involved on climate change-related matters
  - g. Other, please specify \_\_\_\_\_
8. Does your organization have defined modes of reporting to the Board and/or Management for the monitoring of progress and targets on climate risk and opportunities?
- a. Yes
  - No . We currently do not have specific climate change risk monitoring. Majority of our reporting is on broader ESG.
  - c. Partially
  - d. Other. Please describe: \_\_\_\_\_
9. How is climate embedded into your bank's organizational structure?
- a. The bank has a staff or small unit that identifies climate risks and opportunities, and works across the bank in a hub-and-spoke manner (Risk management team)
  - b. There is general awareness of climate throughout the organization, with a clearly identified point person for inquiries or assistance on climate-related issues
  - c. Climate is embedded in all business units, and all units integrate climate into their mainstream operations with clearly defined roles, responsibilities, targets etc.
  - Climate is considered part of the ESG without any specific focus on climate
  - e. Climate is considered part of CSR without integration into operations
10. Are your organization's internal reporting systems capable of monitoring material climate-related financial risks and producing timely information to ensure effective Board and Management decision-making?
- a. Yes, fully
  - b. Yes, partially
  - c. Not yet but under development
  - No
  - e. Other. Please describe: \_\_\_\_\_

## Strategy

11. Does your bank have a climate strategy and/or commitment?
- a. Yes
  - Not yet but we plan to in the next 2 years
  - c. No and we do not plan to
12. Does your organization include climate change as a financial consideration – both risks and opportunities – in its overall business strategy?
- a. Yes, there is a commitment but still working on the how
  - b. Yes, already identified key areas/sectors of focus
  - c. Yes, developed a transition plan and fixed targets for mid- and long-term
  - No, but it has been identified as a priority in the next 2 years

## Questionnaire for Climate Change

- e. No, and it is not under consideration in the near term
  - f. Other. Please describe: \_\_\_\_\_
13. How are climate change-related risks and opportunities considered in your organization's business strategy and/or operations? (Please select all that apply.)
- a. Operational decisions: CAPEX, acquisitions and divestments, new investments (both climate risk and climate opportunities) etc.
  - b. Development of new financial products specifically for climate-related deals (e.g., sustainability-linked finance)
  - c. Included in annual budget and business planning, setting of performance objectives etc.
  - Climate change is not considered in mainstream business strategy and planning
  - e. Other. Please describe: \_\_\_\_\_
14. How are climate change-related issues used to inform your organization's financial planning?
- a. Committed to increasing/prioritizing investments in "green" sectors (e.g., renewable energy)
  - b. Committed to increasing "green" investments in traditional sectors (e.g., climate-smart agriculture instead of regular agriculture)
  - c. Strategic objectives are set based on climate opportunities and risks across the bank's investment portfolio
  - d. Climate data and analytics are used to inform business decisions based on climate risks and opportunities, (e.g. transitioning out of high emission to low-emission sectors, moving away from sectors/geographies highly exposed to physical climate impacts etc.)
  - Business-as-usual, no special consideration given to green opportunities
15. How does climate change inform your organization's risk appetite?
- a. Sector or industry mapping for exposure to climate risk are used for planning purposes but not go/no go decision making
  - b. Climate data and analytics are incorporated into overall risk management systems (e.g., climate risk scoring integrated into credit risk scoring)
  - c. Climate risk is considered only for specific highly-exposed industries (e.g., agriculture, hydropower etc.)
  - Climate risk is considered at the discretion of loan officers/managers, but not systemically considered
  - e. Climate risk is not considered
16. Does your bank have a climate transition or decarbonization strategy in place?
- a. Yes, we have a climate transition strategy
  - b. Yes, we have a decarbonization strategy
  - c. No, we are working on a \_\_\_\_\_ climate strategy
  - No, we do not plan to develop such strategies
  - e. Other \_\_\_\_\_
17. If your bank has a climate transition or decarbonization strategy, does it include climate mitigation metrics and targets? (multiple selection)

## Questionnaire for Climate Change

- a. Yes, we have short-term decarbonization target, and it's \_\_5% reduction in the next year \_\_\_\_\_
  - b. Yes, we have medium-term decarbonization target, and it's \_\_\_\_\_
  - c. Yes, we have long-term decarbonization target, and it's \_\_\_\_\_
  - d. No, but we are working on developing such targets
  - e. No, we do not plan to commit to any targets
  - f. Other \_\_\_\_\_
18. Have you defined an implementation plan with interim milestones and timelines that will help you reach such targets?
- a. Yes
  - b. No, but we are working on it and will have a plan within the next two years
  - c. Other \_\_\_\_\_
19. Has your bank obtained external certification for its climate transition/decarbonization strategy? (i.e., from SBTi, TPI)
- a. Yes, we have been certified by \_\_\_\_\_
  - b. No, we are working on a certification with \_\_Some private organizations \_\_\_\_\_
  - c. No, we do not plan to obtain external certification
  - d. Other \_\_\_\_\_
20. Does the bank have a client engagement strategy on decarbonization, low-carbon transition, and/or climate resilience measures?
- a. Yes, and the bank works with clients to help them adhere to the climate strategy
  - b. Partial, the bank has a climate strategy and informs clients of it, but does not engage deeply or directly to help clients transition
  - c. No strategy, but bank officers engage with specific clients as needed on climate-related issues
  - d. No strategy and no plans to engage with clients on climate
21. Which of the following activities does your organization undertake in the context of climate change? (Please select all that apply.):
- a. Portfolio exposure analysis
  - b. Sectoral exposure analysis
  - c. Materiality assessment
  - d. Scenario analysis using IEA, IPCC, NGFS or other accredited scenarios aligned with 1.5C temperature targets
  - e. Scenario analysis using internal scenarios and/or not aligned with 1.5C targets
  - f. Stress testing
  - g. Sensitivity analysis
  - h. Science-based target setting
  - i. Carbon pricing
  - j. Climate risk assessment
  - k. Stranded asset risk assessment
  - l. Other: \_\_\_\_\_

## Risk Management

### Overall Climate Risk Management

22. What is the percentage share of the following sectors in your total loan outstanding portfolio? *[Approximate values or best estimates are acceptable responses.]*

Mapping	ISIC	Business Section	(%)
Agriculture	A	Agriculture, forestry & fishing	0.2%
Heavy Industry	B	Mining & quarrying (Contraction sand and rock)	0.2%
Transport	H	Transportation and Warehouse	2.3%
Utility	E	Water supply; sewerage, waste management	0.7%
Energy	D	Electricity, gas, steam and air conditioning supply	0.0%
Real Estate	L	Real estate activities	1.7%
Others	C	Manufacturing	14.4%
Others	F	Construction	12.3%
Others	G	Wholesale and retail trader	40.0%
Others	I	Accommodation and food service activities	1.2%
Others	J	Information and communication	0.9%
Others	K	Financial and insurance activities	0.3%
Others	M	Professional, scientific and technical activities	1.4%
Others	N	Administrative and support service activities	3.2%
Others	O	Public administration	0.0%
Others	P	Education	0.3%
Others	Q	Human health and social work activities	1.5%
Others	R	Arts, entertainment and recreation	0.1%
Others	S	Other service activities	1.7%
Others		Personal consumption	17.6%
Total			100.0%

23. How do you incorporate climate risks into lending operations? *[Select all that apply]*

	<i>Integrate climate-related risks into assessments of borrower credit risk and investment decisions</i>
	<i>Differentiate capital charges based on different levels of climate risk</i>
X	<i>Establish/enforce an exclusion policy for sectors/industries subject to material climate risk</i> >> Prohibited list ; Coal-related, Oil/Gas upstream, commercial logging
	<i>Inclusion of internal carbon pricing</i>
	<i>Engage with investees/clients to encourage them to reduce emissions</i>

Questionnaire for Climate Change

	<i>Undertake portfolio analysis</i>
	<i>Other, please specify:</i>

24. How does your institution mitigate climate risk in the lending portfolio? *[Select all that apply]*

	<i>Build provisions for climate risk in the portfolio</i>
	<i>Seek insurance for climate risk</i>
	<i>Raise risk premia for lending activities subject to reflect climate risk</i>
	<i>Seek risk-sharing mechanisms other than insurance for assets subject to climate risk</i>
	<i>Divest from assets subject to climate risk to reduce exposure to climate risk</i>
	<i>Integrate climate risk management into institution-wide governance, strategies and risk management frameworks with defined policies, procedures and controls</i>
<input checked="" type="checkbox"/>	<i>Other, please specify: Still on preparation stage</i>

25. Does your organization identify and quantify climate-related financial risks and incorporate those assessed as material over relevant time horizons into your organization’s internal capital and liquidity adequacy assessment processes?

- a. Yes, fully
- b. Yes, partially
- c. Not yet but under consideration
- d. No
- e. Other. Please describe: \_\_\_\_\_

26. Does your organization include climate-related risks (both physical and transition) in the context of traditional risk categories, such as credit risk, market risk, liquidity risk, and operational risk?

- a. Yes, fully
- b. Yes, partially
- c. Not yet but under consideration
- d. No
- e. Other. Please describe: \_\_\_\_\_

27. Does your institution do any of the following in terms of climate risk management?

	<i>Yes</i>	<i>No, but likely to undertake within the next 2 years</i>	<i>No</i>	<i>Not applicable</i>
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Questionnaire for Climate Change

<i>Collect, analyze, and assess data for climate risk assessment</i>		Under data preparation		
<i>Develop a climate-related risk heat map to identify potential risks concentration against physical risks</i>		Consider to adopt the BOT's hazard map		
<i>Develop a climate-related risk heat map to identify potential risks concentration against transition risks</i>			No	
<i>Integrate a climate-risk assessment as part of due diligence in its client and approval process</i>			No	
<i>Develop methodologies (e.g., scenario analysis) to quantify climate risk within the economic assumptions and the long-term business projections</i>			No	
<i>Use stress testing on the materiality of climate-related risks to which it is exposed</i>		In near future, will adopt BOT supervisory stress test for physical climate risk		
<i>Develop action plans to improve climate resilience of its balance sheet</i>			No	

28. Where are the results and findings of climate risk assessment and management documented and reported? Please provide details:

Not yet develop.

29. Please select the top 3 challenges faced by your institution in assessing and managing climate change risks.

*[Assign a number between 1 to 3 in the left box where "1" means the most important challenge.]*

1	<i>Limited availability of data to identify and estimate the climate change risks</i>
2	<i>No defined approach/method to incorporate climate change risks in credit risk assessments and investment decisions</i>



Questionnaire for Climate Change

	<i>Lack of capacity of other service providers to support these types of risk assessments</i>
3	<i>Insufficient staff/human resources</i>
	<i>No internal mechanism to conduct necessary due diligence</i>
	<i>Limited support from senior leadership for incorporating climate change risk</i>
	<i>Limited interest from internal/external stakeholders in addressing climate change risk</i>
	<i>Insufficient support from regulatory bodies (lack of standardized approaches and tools for assessing climate risk)</i>
	<i>Other, please specify:</i>

Transition Risk

30. Please complete the “**FI fossil fuel portfolio exposure**” document shared and return it along with this questionnaire.

Fossil Fuel	Definitions of Activities	Financing approved in the past fiscal year (US\$)	Outstanding exposure (US\$ MM)	% of total outstanding portfolio
Oil	<b>Upstream:</b> exploration of oil fields, drilling and operating wells to produce oil	0.00	0.00	0.00%
	<b>Midstream:</b> transportation, storage, and processing of crude oil before it is refined or utilized by end user customers	0.00	0.00	0.00%
	<b>Downstream:</b> electricity generation by power plants that use crude oil, petroleum products and non-renewable wastes to produce electricity	0.00	0.00	0.00%
Gas	<b>Upstream:</b> exploration of natural gas fields, drilling and operating wells to produce natural gas	0.00	0.00	0.00%
	<b>Midstream:</b> transportation, storage, and processing of natural gas and natural gas liquids (NGLs and LPGs) before they are refined or utilized by end user customers	0.00	0.00	0.00%
	<b>Downstream:</b> electricity generation by power plants that use natural gas or derived gas to produce electricity	0.00	0.00	0.00%
Coal and peat	(1) coal-fired power plants (2) coal mining (3) coal transportation, and (4) infrastructure services exclusively supporting coal mining and coal transportation activities (5) extraction of peat (6) electricity generation from peat	0.00	0.56*	0.01%

Note : \*There is 1 customer with loan size on THB 30MM.

<b>Details on the customer</b>	
Loan facility	Limit 30MM, Term loan with 12 years tenor
Business	Coal trader
	Supplier : Import from Indonesia
	Buyer : Siam City Cement, Thai Arcrylic, Asia Cement 111
	Sales volume (annually) : THB 3,001.45MM
	Net income (annually) : THB 190.16MM

31. Does your institution currently restricts/excludes financing of mining of thermal coal, electric power generation from coal and/or peat, extraction of peat?

	Yes	No, but we anticipate to phaseout financing off non-	No	Not Applicable
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Questionnaire for Climate Change

		<i>aligned activities in the next 2 years</i>		
<i>Mining of thermal coal</i>	Yes			
<i>Electric power generation from coal</i>	Yes			
<i>Extraction of peat</i>	Yes			
<i>Electric power generation from peat</i>	Yes			

32. Does your organization assess **transition** climate risk exposure?

a. Yes

No

33. If you answered yes on the previous question, please select all that apply:

a. At sectoral level

b. At country level

c. At portfolio level

d. At project level

e. At counterparty level

Other. Please describe: \_\_\_\_\_

34. Which of the following methodologies, approaches, or tools are used to assess **transition** risk?

Please select all that apply:

a. Internal tools/methodology/approaches for quantitative assessment

b. Qualitative assessment

c. Paris Agreement Capital Transition Assessment (PACTA)

d. Sectoral Decarbonization Approach (SDA)

e. Climate Value at Risk, Greenhouse gas Emissions per unit of Value Added (GEVA), or similar approach

Other. Please describe: \_\_\_\_\_

Physical Risk

35. Does your organization assess physical climate risk exposure?

a. Yes

No. Current practice ;

i. During collateral appraisal process, the appraiser will discount the collateral value if the location is prone to flooding.

## Questionnaire for Climate Change

- ii. During underwriting process, the application will be rejected if the business location is currently impacted with physical climate risk i.e. under flooding
- iii. Insurance to cover climate risk (natural disaster) for all branches

36. If you answered yes on the previous question, please select all that apply:

- a. At sectoral level
- b. At country level
- c. At portfolio level
- d. At project level
- e. At counterparty level
- Other. Please describe: no

37. Do your bank's internal processes include considerations of **physical** climate risk for existing and/or new investment?

- a. Yes, it is part of the internal monitoring process for all investments
- b. Yes, it is part of the internal monitoring for critical investments only, such as \_\_\_\_\_
- No, but is under consideration or being planned
- d. No, and it is not under consideration in the near term
- e. Other. Please describe: \_\_\_\_\_

38. If **physical** climate risk considerations exist, which processes for **physical** climate risk assessment and management are included? (Please select all that apply.):

- a. Screening for levels of existing and/or potential exposure to physical climate risks
- Identification and quantification of physical climate risks (Follow BOT supervisory stress test framework)
- c. Management of physical climate risks identified above
- d. Documentation of the outcomes of screening, identification, and management of risks
- e. Other: \_\_\_\_\_

39. What types of analyses are done in the processes related to **physical** climate risk assessment? (Please select all that apply):

- a. Analyses of climate impacts on financial performance of individual investments
- b. Analyses of climate impacts on portfolio financial performance
- c. Analyses of climate impacts on environmental and social performance
- None of the above : supervisory stress test

## Metrics and targets

40. Has your bank adopted climate change related KPIs?

- a. Yes, climate change related KPIs and targets are an integral part of the bank's monitoring, reporting and performance evaluation system.
- b. Yes, some relevant departments have introduced climate change related KPIs and targets mostly for internal monitoring purposes.
- c. No, we only monitor GHG emissions for reporting purposes

## Questionnaire for Climate Change

No

41. Does your organization calculate its greenhouse gas emissions?

- a. Yes, gross emissions
- b. Yes, net emissions
- c. Yes, gross and net emissions
- Not yet but under consideration
- e. No
- f. Other: \_\_\_\_\_

Please describe

42. If yes for the previous question, what scope of emissions does your organization measure?

- a. Scope 1 and 2
- b. Scope 1, 2 and 3
- c. Only Scope 1
- d. Only Scope 2
- e. Only Scope 3
- Other: \_\_\_\_\_

Please describe

43. Does your organization have clearly defined targets for the following (please select all that apply):

- a. Climate finance
- b. Climate mobilization
- c. Climate risk exposure – sectoral
- d. Climate risk exposure – geographic
- e. Climate risk exposure – technological
- f. Absolute emissions
- g. Emissions or carbon intensity
- h. Financed emissions
- i. Coal exposure
- j. Fossil fuel exposure
- k. Scope 1 emissions
- l. Scope 2 emissions
- m. Scope 3 emissions
- n. Net zero
- Other. Please describe: \_\_\_No\_\_\_\_\_

44. Does your organization actively engage with its supply chain to collect data on their emissions and other key climate metrics?

- a. Yes
- b. Partially (We worked with some vendors)
- Not yet but under consideration
- d. No

Questionnaire for Climate Change

e. Other: \_\_\_\_\_

Please describe

Other

45. Does your bank use any disclosure frameworks to report on material climate-related risks and opportunities?

- a. Yes, part of a One report (56-1)
- b. Yes, material climate-related decision-useful reporting
- c. Not yet but we plan to in the next 2 years
- d. No and we do not plan to

46. Does your organization disclose its climate-related financial risks and opportunities under any of the following frameworks (please select all that apply):

- a. Taskforce on Climate-related Financial Disclosures (TCFD)
- b. United Nations Principles for Responsible Investment (UN PRI) or Banking
- c. CDP (formerly, Carbon Disclosure Project)
- d. Global Reporting Initiative (GRI)
- e. Central bank directives
- f. Organization sustainability report
- g. Other. Please describe: \_\_\_\_\_
- None

47. How would you expect the share of climate finance portfolio to grow over the next 3-5 year?

	<i>Significant Decrease</i>
	<i>Somewhat Decrease</i>
	<i>Stable</i>
	<i>Somewhat Increase</i>
	<i>Significant Increase</i>
<input checked="" type="checkbox"/>	<i>Not Applicable</i>