

Corporate Governance Policy

Of

Krung Thai Bank Public Company Limited

Contents

| | Page |
|---|-----------|
| Statement of Direction, Vision and Mission | 1 |
| Corporate Governance Policy | 2 |
| Principles of Good Corporate Governance | 3 |
| 1. Shareholder's Rights | 3 |
| 1.1 Policy and protecting shareholder's rights | 3 |
| 1.2 Shareholders Meeting | 3 |
| 2. Equitable Treatment of Shareholders | 4 |
| 2.1 Treatment of Minority Shareholders | 4 |
| 2.2 Attendance of General Meeting by Shareholder's Proxy | 4 |
| 2.3 Preventive Measures for Misuse of Inside Information by Directors and Executives | 4 |
| 3. Consideration for Stakeholders | 6 |
| 3.1 Treatment of Stakeholders | 6 |
| 3.2 Stakeholders Engagement | 10 |
| 3.3 Whistle Blowing and Complaints | 11 |
| 4. Disclosure of Information and Transparency | 13 |
| 4.1 Disclosure of Information as Prescribed in Listed Company Requirements | 13 |
| 4.2 Disclosure of Information under Official Information Act, B.E.2540 (1997) | 13 |
| 4.3 Performance of the Board of Directors and Respective Committees | 14 |
| 4.4 Quality of Financial Statements | 28 |
| 4.5 Investor Relations | 28 |
| 5. Responsibility of the Board of Directors | 29 |
| 5.1 Independence from the Management | 29 |
| 5.2 Appropriateness of the Board of Directors | 29 |
| 5.3 Maximum Number of Directorship in Companies | 29 |
| 5.4 Directors' Terms of Office | 29 |
| 5.5 Transparency in Nominating Directors | 30 |
| 5.6 Efficiency of the Board of Directors | 31 |
| 5.7 Corporate Secretary | 34 |

Statement of Direction, Vision and Mission

Statement of Direction

Strengthen financial stability and provide shareholders with appropriate returns through top-ranking product and service management while supporting public affairs.

Vision

Growing Together - Enhancing capabilities of employees to support growth and prosperity for customers, enrich quality of society and environment, as well as provide sustainable return for our shareholders.

Mission

- Develop capabilities of personnel and work system.
- Provide customers with differentiated and value added service and advice.
- Fulfill our responsibility to society through supporting economic, social, and environmental development.
- Provide shareholders with superior and sustainable return.

Corporate Governance Policy

Krung Thai Bank is aware and determined to operate its business with transparency, integrity and fairness in compliance with good corporate governance principles in order to become the effective organization that excels in operating business, concerns ethical responsibility and takes into account the benefits of all stakeholders. Such operation shall create confidence and generate benefits to the shareholders, who are vital to the Bank's sustainable growth and prosperity.

The Board of Directors placed importance on good corporate governance over the past several years. The Bank has been determined in operating with good corporate governance; encouraged all Directors, managements and employees of all levels to adhere to good corporate governance principles and take part activities leading to be an organization with CG in process; and elevate the Bank's compliance to meet international standards.

The Bank has stipulated the Corporate Governance policy and guideline in conformity with the principles of corporate governance of the Stock Exchange of Thailand as follows:

- 1) Creation of Long Term Value
- 2) Accountability
- 3) Responsibility
- 4) Promotion of Best Practices
- 5) Equitable Treatment
- 6) Transparency
- 7) Social and Environmental Awareness

The Bank has communicated and publicized the seven principles of good corporate governance to all employees via the Bank's communication channels and assigned all business units of the Bank to adopt these CG principles in their operation. This will ensure that the Bank observes good corporate governance. All Directors are aware of the Bank's duty to operate for the highest benefit of the Bank and continually undertake activities relating to social responsibility, generating substantial result and truly benefiting the society and environment. The Bank develops effective social and environmental projects by integrating activities in projects and carries out the projects continuously under the concept of instilling intellectual capital. More importantly, the Bank also induced the society, community and other stakeholders to take part in the Bank's activities, to encourage them to care for each other and be generous toward the unfortunate, as well as putting emphasis on environmental issues that are becoming more critical.

Principles of Good Corporate Governance

The Bank has fully complied with the principles of good corporate governance in all 5 categories set forth by the Stock Exchange of Thailand. In 2016, the Bank has carried out the following operations:

1. Rights of Shareholders

1.1 Policy and protecting shareholder's rights

The Bank places importance on protecting shareholder's rights and supports them to exercise their rights properly under the fundamental rights stipulated by law. The basic legal rights comprise of the right to buy, sell or transfer securities holding; the right to receive dividend; the right to attend the shareholders meeting; the right to propose agenda in the shareholders meeting; the right to vote for the appointment of auditor and fixing of auditor fee; and the right to take part in decision making of the Bank's material issues such as approval of key activities affecting business direction, amendment to the Memorandum and the Articles of Association.

Beside these fundamental rights, the Bank has established best practices for its shareholders in order to support and facilitate them in exercising their rights. Shareholders have the right to receive information on operating performance, management policy and other key information on the Bank's website which can be easily accessed.

1.2 Shareholders Meeting

The Bank gives precedence to the Ordinary General Meeting enormously and holds once a year within four months after the end of the accounting period. Much importance is given and strictly observed to the principles of CG and the prescribed legal provisions allowing shareholders to propose the agenda prior to the Annual Ordinary General Meeting. All relevant information is posted on the Bank website: www.ktb.co.th and select Investor Relations /Shareholders/invitation to the Annual Ordinary General Meeting about 30 days before the meeting date. In addition, the Bank has designated Thailand Securities Depository Co., Ltd. in its capacity as Register, to send out notices of meeting together with agenda details and attachments to shareholders at least 14 days before the meeting date. Shareholders will then have enough time to study the relevant information before casting their votes on various agenda items. In case of doubt, shareholders can submit queries liberally to the Directors prior to the meeting via the Bank website or mail directly to the Board of Directors or inquire on the meeting date before the vote casting in any agenda. The Chairman of the Meeting will inform the

shareholders of the rules of the meeting and the procedures of voting, allowing fair opportunities to present their opinions and inquire about any matter. Chairman of the Board of Directors, President and all the relevant chairmen of the respective committees will attend to explain the operating performance and management policies and to answer any queries raised.

2. Equitable Treatment of Shareholders

2.1 Treatment of Minority Shareholders

The Bank's policy is to treat all shareholders equally and fairly by facilitating and encouraging all groups of shareholders including minor shareholders, institutional investors and foreign investors to attend the meeting, enabling them to enjoy equitable treatment in exercising their rights as described in the Right of Shareholders section. As for voting, ordinary stock and preferred stock are counted as one vote each. The majority of the votes prevail unless stated otherwise in the article of association or by law.

Furthermore, the Bank announced through the Stock Exchange of Thailand that minor shareholders may nominate an individual to become a director, together with submitting his qualifications for consideration and his consent to be nominated as specified by the Bank's regulations, to the Nominating and Remuneration Committee during the 3 months period before the end of accounting year on December 31. As for the 23rd Annual Ordinary General Meeting (2016), the period was from October 1 to December 31, 2015. During the agenda of electing directors, the Bank nominated candidates for the shareholders to vote for the appointment of each director.

2.2 Attendance of General Meeting by Shareholder's Proxy

In case where shareholder is unable to attend the general meeting, the Bank allows the shareholder to assign a proxy to attend the meeting and vote on his/her behalf. Proxy form with instructions and the list of three Independent Directors were attached and delivered to the shareholders together with the meeting notice. Shareholders or proxies are urged to use voting ballots on every agenda items.

2.3 Preventive Measures for Misuse of Inside Information by Directors and Executives

The Bank clearly stipulated measures inhibiting directors, executives, employees and related persons to use the Bank's insider information for personal benefit or disclose it to the public. In addition, there is the written regulation prescribed the document retaining to prevent the misuse of inside information and publicized to all employees for acknowledgment follow:

Practices for Related-Party Transactions Approval

1) Each Director must disclose information on transactions that might lead to conflict of interest, connected transactions or related-party transactions as required by the Securities and Exchange Commission and the Stock Exchange of Thailand.

2) Directors having interest are prohibited from taking part in approval process. If connected transactions have been conducted, the Audit Committee shall participate in the approval and give opinion to comply with good corporate governance and the regulations of the Stock Exchange of Thailand.

3) Lending or investing in business in which Director has interest must be unanimously approved by the Board of Directors without attendance of such Director. To prevent conflict of interest, pricing and terms and conditions must be determined in accordance with the Bank's normal trading and with the same treatment given to general customers.

Measures for Overseeing the Usage of Inside Information

1) Staff member is not permitted to purchase, sell or transfer securities in such a way that take advantage of other persons by using internal information that are significant to the changes of security prices of which has not yet been disclosed to the public or The Stock Exchange of Thailand, and to which information he has access by virtue of his office or position, and whether or not such act is done for his own or another person's benefit, or to disclose such information so that he will receive consideration from the person who engages in the aforesaid acts.

2) Director, President, Managing Director, and manager or higher in Account and Finance Group must report details of the securities acquisition issued by the Bank, both of themselves, spouses, and immature children to the Securities and Exchange Commission as prescribed, whilst such details must be reported to Board of Directors on monthly basis. In addition, the details of stakeholder as above-mentioned will be reported to Corporate Secretary in order to inform the Chairman of the Board of Directors and the Chairman of the Audit Committee in compliance with the requirement from the Securities and Exchange Commission. The copy of the report referred as above must be submitted to Compliance Department so as to accumulate as the reference for operation of the related-party transaction thereafter.

The Bank's corporate governance policy states that directors must inform the secretary of the Board of Directors and executives must inform the Compliance Department about the sale/purchase of the Bank's stocks at least 1 day before the sale/purchase. Also, directors,

Creditors

The Bank's policy is to treat creditors of all groups including depositors, debenture holders and other creditors equally and fairly on the basis of fair returns for both parties and strictly under the agreements of covenants agreed upon. In case of non-compliance with any one of the covenants, the Bank will promptly notify the creditor to jointly discuss the issue. In conducting business negotiation, the Bank shall refrain from demanding or employing any dishonest benefits in trading. Moreover, the Bank regularly prepares financial reports that are accurate, complete and submit to the creditors in a timely manner.

Trading Partners

The Bank requires its employees to strictly prioritize the Bank's utmost benefit without concerning about self-interest or interest of related person. Employees must provide accurate and complete information that will not impede the buyers' or sellers' decisions. Importantly, employees should avoid accepting gifts or rewards from buyers or sellers as well as attending private functions hosted by them to avoid any accusation or render special assistance in return of later occasion. All trading partners should be treated with equitability to create trust between the Bank and trading partners by adhering to procurement regulation which spells out procedure, criteria for trading partner selection and joint practice guideline. These are shown explicitly on the Bank's website as follows:

Criteria for trading partner selection

- The profession of the bidder must be the provider of the goods/services specified by the Bank and/ or the representative appointed by the copyright owner.
- The bidder must not be named in the list of work abandoner which has been circulated.

- The bidder must not have any privilege or protection that allows him the possibility to reject presence in Thai court, unless the government of the bidder has issued a disclaimer of such protection.
- The bidder must be an authorized person to perform juristic act on behalf of the company, partnership or juristic person. In case the bidder cannot submit bid envelope in person, the bidder may assign authority to another director, partner or employee to do so on his behalf on the condition that the assigned person must present the letter of power of attorney signed by the director or authorized partner of the juristic person and stamped by the company's/partnership's seal to the Bank as evidence.
- The bidder must not be named in the list of those fail to show income-expense statement or show substantially incomplete income-expense statement while participating in the procurement process and at the time of signing the contract.
- The bidder must have no mutual benefit with other bidders and/or a committee member of that procurement. The bidder must not obstruct fair competition of price.
- The bidder must not be bankrupted, in the process of being sued for bankruptcy, requesting for business rehabilitation or debt restructuring. The bidder shall prepare the juristic person/person certificate.

Business Alliances

The Bank is firmly determined to comply with the agreements made with its business partners and to provide assistance for mutual business benefits. Competitors: The Bank has no policy to falsify or distort competitors' fact. At the same time, the Bank avoids making deals or discussion with employees of other organizations or financial institutions about geographical

locations, marketing, customer segmentation, interest rates, fees and commissions as well as products, services or business plans that may exert negative impact on the Bank's business competition.

**Social and
awareness of
responsibility**

The Bank, similar to a good citizen, operates its business with toward the society and the nation. The Bank also encourages activities for public benefits in order to develop the society, community and environment, as well as conserving natural resources. Furthermore, the Bank is willing and prepared to cooperate with the government and support the government's policies for the utmost benefit of the country.

**Board of Directors
and Executives**

The Bank's Board of Directors and executives are aware of their rights and they are ready to be a role model in exercising their rights and performing their duties as specified by the Bank. At the same time, they realize the importance of equitable and fair rights among groups of stakeholders.

Employees

The Bank prioritizes human resources management and development. The Bank employs human resources management system in which employees of all levels have equal chance to advance in their career path as well as ensuring that employees' salary, remuneration, welfare and other benefits are comparable to those of other leading companies. Learning method, training courses and human resources development process have been improved to enhance the capability of employees and ensure business competitiveness. The Bank also attaches importance to employees' security by providing environment that is safe and suitable for work. Security measures have been established in compliance with the law and the Bank's regulations. Each business unit is required to prepare a business continuity plan

both for normal and critical situations to ensure safety of employees and the Bank's properties. The Bank encourages employees to respect and honor one another along the guidance stipulated in the personnel code of conduct. In term of employee welfare, the Bank promotes the well-being of employees by providing benefits such as a clinic to provide medical care to employees, their families and retired employees; educational allowance for children of employees, medical allowances, mediation training project and welfare loans.

Government Sector

The Bank supports government's operation and complies with the regulators' requirements and policies in conjunction with promoting collaboration in activities of governmental agencies to build national stability and growth. Finally, the Bank places importance on intellectual property and copyright infringement and confidentiality of the Bank's information, which the employees must strictly comply with.

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3.2 Stakeholders Engagement

In its operation, the Bank adheres to good corporate governance principles, emphasizes on management with transparency, integrity and fairness to all stakeholders and take into account the benefits of all relating parties including employees, customers, society, shareholders, trading partners and regulators. The Bank has also announced its adoption of anti-bribery and corruption policy which is crucial for developing business operation process that meets the standard, generating growth and wealth to all stakeholders following the Bank's "Growing Together" vision. The Bank has established stakeholder engagement policy as part of its corporate governance policy and code of business conduct. The Bank has been treating all groups of stakeholders equally and fairly by considering impact on stakeholders and the rights of stakeholders to engage via various channels. For instance, in 2016, the Bank reviewed and updated its code of business conduct to meet international standards and cover all principles in

anti-corruption. Giving or accepting bribe and corruption are illegal and the Bank employs 140 Annual Report 2016 141 Krung Thai Bank Plc. the Zero Tolerance policy. Measures concerning the use of insider information and misuse of insider information for benefit have been added to the Corporate Governance policy to ensure equal treatment of shareholders and concern about the roles of stakeholders respective. Furthermore, the Bank has conducted surveys to solicit employees' opinions in order to improve management condition to fulfill the needs and expectations of the employees. Survey of employee engagement are conducted biannually. The Bank allows external stakeholders to participate in occasions, for example, shareholders may voice their opinion freely, propose an agenda and nominate a candidate for director at the Shareholders Meeting. Additionally, stakeholders may directly contact committees and business units involved in the matter to give useful suggestion or information that will benefit the Bank or make complaint about any wrongdoing.

Moreover, the Bank has conducted Corporate Social and Responsibility (CSR) projects to give back to the community in all 3 dimensions namely economy, society and environment. There are 4 types of activities; education, arts, society and environment, and sports. Examples are Krungthai Weaving Dream Schools Project providing support to schools nationwide to enhance their quality; Krungthai Business Ethics Initiative (White Seedlings) Project giving high school students an opportunity to carry out projects that adopt the Philosophy of Sufficiency Economy and Krungthai Green Heart Project giving employees of the Bank and associated companies and their families a chance to learn and raise their awareness about the conservation of energy, natural resources and environment. These operations reflect the Bank's determination to allow all groups of stakeholders to participate in meetings and activities organized by the Bank.

3.3 Whistle Blowing and Complaints

The objective of the Board of Directors is to satisfy all groups of stakeholders, provide direct communication channels for stakeholders to reach the Board of Directors and related business units. For example, customers and general public may report any wrongdoing or comment about the Bank through various channels of the Customer Complaint Center as follows:

➤ For whistle blowing

The Bank has also established Whistle Blowing Policy allowing stakeholders to report any misconduct of directors, managements, employees of the Bank and its

affiliates through various channels, whether the misconduct is corruption; or violation of the law, the Bank's regulations or regulations of external regulators. Stakeholders can also directly report to the Chairman of the Board of Directors by sending an e-mail to whistletruth@ktb.co.th. The whistle blower will be anonymous and will be protected during and after the process.

- Send an e-mail to the Chairman of the Board of Director at whistletruth@ktb.co.th
- Send an e-Mail to whistle@ktb.co.th
- Send a letter to the Credit Information Compliance Team, Compliance Department, Krung Thai Bank Plc. 35 Sukhumvit Road, Klong Toey Nua Subdistrict, Wattana District Bangkok 10110.
- Telephone to +662 208-3857 or fax to +662 256-8778

➤ For complaints

- KTB Call Center +662 111-1111 (24 hours)
- Customer Complaint Center Tel: +662 208-8989
(Mondays - Fridays between 8:30 - 16:30 hrs.)
- www.ktb.co.th or E-mail: compliant.center@ktb.co.th
- <http://www.contactcenter.ktb.co.th> or e-mail to call.callcenter@ktb.co.th
- Fax: +662 256-8170
- Send a letter to Office of the Board of Directors, Krung Thai Bank Plc., 13th floor, Nana Nue Building, 35 Sukhumvit Road, Klong Toey Nua Subdistrict, Wattana District Bangkok 10110 or PO Box 44, Hua Lamphong Bulk Mail Centre, Bangkok, 10331.
- Customer satisfaction survey by Business Risk Research Department. The responses collected will be submitted to executives and related business units for improvement.
- Employees can directly report or make comments to the Board of Directors and Executives by sending an e-mail to their respective e-mail addresses which can be found in the phonebook on intranet. Other complaint channels are:
 - > E-mail to hr.care@ktb.co.th administrated by the Head of Human Resources And Corporate Governance Group, the Head of Welfare and Employee Relation Sector and the Head of Discipline and Employee Relation Department
 - > Hotline at +662 208-8887

4. Disclosure of Information and Transparency

4.1 Disclosure of Information as prescribed in Listed Public Company Requirements

The Bank oversees that key information, financial and performance related data are disclosed accurately, completely, transparently, comprehensively and timely as prescribed in the requirements of the Securities and Exchange Commission and those of the Stock Exchange of Thailand. Apart from Annual Registration Statement (Form 56-1) and the Annual Reports (Form 56-2), most of the information is posted on the Bank's website in Thai and English with regular updates, thus helping shareholders, customers and interested persons to access the reliable information with ease and equality

Information disclosed by the Bank included performance of the Directors, their training, roles of the Boards and relevant committees, number of meetings called, number of attendance of each Director and opinions from performing duty as well as remuneration of Directors and senior executives, shareholding structure, operating performance and profit, corporate governance policy and code of conduct, goals for business operation as well as social and environmental responsibility policy.

4.2 Disclosure of Information under Official Information Act, B.E. 2540 (1997)

As a state enterprise organization under the Budgeting Act, B.E. 2502 (1959) and its amendments as well as a state enterprise under the Ministry of Finance, the Bank thus has to disclose information to general public in compliance with the Official Information Act, B.E. 2540 (1997). Procedures on this matter during 2007 included:

4.2.1 IT System Enhancement for Information Dissemination

The Bank has made a Quick Link from the website (www.ktb.co.th) to webpage e-Procurement to provide interested public with news and information on the Bank's procurement. Inside such webpage, the Bank summarized all the procurements from February 2003 to date.

Apart from viewing information on procurement, interested persons can also offer sale of goods or services through such system after having registered.

4.2.2 Disclosure of Bank and Customers' Information to Requesting and Outsiders

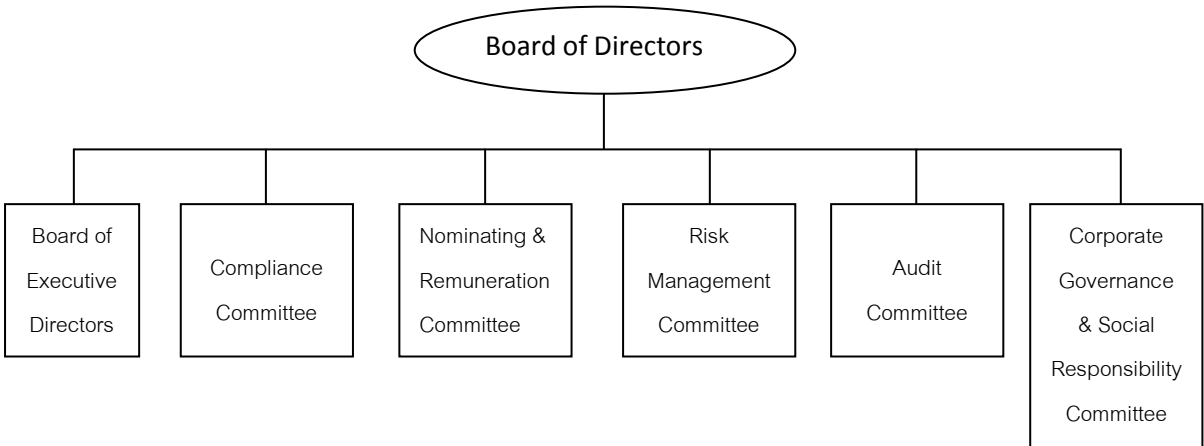
Government agencies or private enterprises with or without legal authority are able to request for the verification of information from the Bank under the terms and conditions as follows:

1) Agencies with legal authority to request information, documentary evidences for verification or requesting Bank employees to testify in various courts include court of law, Legal Execution Department, Special Investigation Department, Revenue Department, Royal Thai Police, the Office of the National Counter Corruption Commission (NCCC), Anti-Money Laundering Office (AMLO), Office of the Narcotics Control Board (NCB), Office of the Securities and Exchange Commission of Thailand (SEC), Social Security Office, Office of the Consumer Protection Board (CPB), Office of the Auditor General Thailand, Ministry of Finance Inspector-General, the Office of the Ombudsman Inspector-General and the Bank of Thailand (BOT). Such agencies are able to request information and documentary evidences concerning account opening, deposit transactions, deposit and withdrawal information and deposit balances.

2) Agencies and individuals with no specific legal authority in requesting information verification comprise government agencies, private work units and general individuals. Most of which request customers' personal information verification, the Bank is unable to disclose such requests as stipulated in the Official Information Act, B.E.2540 (1997), Section 24 that government agencies are unable to disclose personal information under their supervision to other government agencies or others without written consent from owner of such information given in advance or at that time.

4.3 Performance of the Board of Directors and Respective Committees

The Bank conducts in comply with the Committee structure so as to encourage the corporate governance of commercial banks. There are 6 committees as shown below:



4.3.1 Roles of the Board of Directors and Respective Committees

The Board of Directors

The Board of Directors assumes full authority in the management and oversees that the business operation as the commercial bank complies with the objectives, the Articles of

Association and the resolutions of the shareholders' meetings. All of which must be subjected to relevant laws and regulations. The authority and responsibility includes:

Authority of the Board of Directors

1) Each director can cast one vote and the majority vote shall be taken as the resolution of the Board meeting. In case of equal votes, the Chairman of the Board shall have the second vote for a decision. In case of election of Director in replacement of the Directors who resigned prior to the end of term, at least three-fourths votes of approval from the total number of Directors are required.

2) Any director who has his own interest in the matter discussed in the Board meeting is prohibited from casting vote on such issue. In this case, the Chairman may request such director to temporarily leave the meeting.

3) All business activities of the Bank shall be under the authority of the Board of Directors. Either the President or at least two other directors as delegated by the Board have the authority to sign and affix the Bank's official seal on behalf of the Bank.

4) The Board of Directors has the authority to appoint the General Manager and staff members as well as agent of the Bank with the authority and duty as the Board deems appropriate. Remuneration, expenses and benefits as well as removal of such persons from office are also within the authority.

5) The Board of Directors can empower the General Manager to appoint and revoke the appointment of the staff members of the Bank. If the General Manager is also a director of the Board of Directors, he is named the "President".

6) The Board of Directors has the authority to invite any person, as it deems appropriate, to be an advisor assisting the Board on banking business as well as determining wages and remuneration for the advisor.

7) If the Board of Directors view that the Bank has gained sufficient profits and it is appropriate to pay dividend, the Bank may from time to time pay interim dividend to shareholders and report in the next shareholders' meeting.

Scope of Authority of the Board of Directors

The Board of Directors shall have the power to conduct all kinds of business of the Company. However, certain kinds of business in accordance with the Bank's regulations and the

Limited Public Company Act B.E.2535 (1992) and its amendments are specified to be conducted by the power of the meeting of shareholders.

- 1) Approval of the balance sheets and the profit and loss statements.
- 2) Approval of the profit appropriation.
- 3) Election of new directors replacing those who completed their term of office or election of the additional directors when there is an increase in the total number of directors.
- 4) Appointment of the Bank's auditor and fixing their audit fee.
- 5) Increase of capital, reduction of capital and transfer of allowance for compensation of accumulated loss, dividend payment, public offering or allocation of capitalized shares and issuance of debentures.
- 6) Sale or transfer of the Bank's entire business or some material parts, acquisition or acceptance of transfer of other business, amendment or termination of agreement relating to renting out partial or the entire Bank's business.

Responsibilities of the Board of Directors

- 1) Oversee and manage the Bank's business in accordance with the objectives, the Bank's Articles of Association and the resolutions of the shareholders meeting as well as supervising the Bank's operations.
- 2) Hold the meeting at least once a month and there must be at least half of the total directors attending. The majority vote shall be taken as the resolution of the meeting. In case of election of Director in replacement of the Directors who resigned prior to the end of term, at least three-fourths votes of approval from the total number of Directors are required.
- 3) Call for an annual ordinary general meeting within four months from the closing of accounting period. Other general meetings may be called anytime as extra ordinary meeting when the Board deems appropriate or within one month from the date of shareholder's written request.
- 4) Despite Board vacancy, the subsisting directors can still perform the duty. However, if the number of directors does not constitute a quorum, the remaining directors can only call a general meeting to elect new candidates to fill all the vacancies.
- 5) Comply with the Code of Best Practice of Directors of Listed Companies.

The Board of Executive Directors

Scope of Authority and Responsibility of the Board of Executive Directors

The Board of Directors has empowered the Board of Executive Directors with the following duties:

- 1) Approve credit, debt restructuring and debt write-off within the authority.
- 2) Approve investment or sales of securities invested by the Bank, trading or renting out Banks' property within the authority.
- 3) Approve the hiring of consultant and procurement operation in accordance with the procurement regulations.
- 4) Scrutinize business plan, policy tasks and annual budget.
- 5) Monitor significant assignments given by the Board of Directors.
- 6) Approve or acknowledge other businesses relating to management that deem necessary, appropriate or urgent to get problems resolved since they may cause damage to the Bank if unattended. Report such issue promptly to the Board of Directors.
- 7) Perform other tasks assigned by the Board of Directors.

The Audit Committee

Scope of Authority and Responsibility of the Audit Committee

- 1) Financial Reporting and Public Disclosure
 - 1.1) Review the financial reports to ensure their adequacy, accuracy and reliability in accordance with the generally accepted accounting principles.
 - 1.2) Review with the Bank's auditor key issues that may adversely affect the reliability of the financial reports such as:
 - (1) Significant problems or conflicts encountered during the course of the audit
 - (2) Different facts and opinions between the auditor and the management
 - (3) Effectiveness of internal control
 - (4) Deficiencies or losses found in the current accounting period and the possibility to recur in the following periods
 - (5) The draft of the annual financial statements and notes to the financial statements
 - (6) The auditor's report

1.3) Review any connected transactions or transactions that may cause conflict of interest or signify chances of fraud to ensure accurate accounting procedures as well as the complete and transparent information disclosure.

1.4) Review the evidences when doubt about the operation that may significantly impair the Bank's business or conflict of interest that may cause negative impact on the Bank's operation.

1.5) Oversee the information submitted to the regulator to be in line with that in the financial reports.

2) Internal Control

2.1) Review the internal control system to ensure its effectiveness and compliance with the standards of the Committee of Sponsoring Organizations of Treadway Commission (COSO). Assess the entire internal control system at least once a year in addition to the assessment of financial reporting with the Bank's auditor.

2.2) Review the appropriateness and effectiveness of risk management, internal control of the Bank's IT system and its security including business continuity plan.

3) Auditor

3.1) Ensure independence of the auditor.

3.2) Review the scope of work of auditor and internal auditors to avoid duplication of work in financial auditing with due consideration of efficiency in the use of resources in the audit process.

3.3) Consider the recruitment, appointment, dismissal and remuneration of the auditor and submit to the Board of Directors in proposing to the shareholder's general meeting. The Committee together with the auditor held the meeting without the presence of the management department at least once a year.

3.4) Review the annual audit report and may suggest reviewing or examining on significant or necessary issues before submitting the key recommendation to the Board of Directors.

4) Internal Auditor

4.1) Ensure independence of the internal auditor.

4.2) Directly supervise the Internal Audit Group, excluding the management of the Internal Audit Group that report directly to the President.

4.3) Oversee the Internal Audit Group to adhere to moral ethics and corporate governance with generally accepted audit standards as well as examine and review Code of Business Conduct of audit officers prior to submission to the Board of Directors for approval.

4.4) Regularly examine and review the Charter of the Internal Audit Group.

4.5) Consider and approve the strategic plan for internal audit, organization structure, manpower, annual internal audit program as well as budget used in auditing, stressing efficiency and effectiveness including their prioritization with regard to risk levels.

4.6) Review the internal audit reports and call confidential meetings with Managing Director of the Internal Audit Group to see if there is any interference from the executives and the management that may cause negative impacts on the independence and freewill of the internal auditor.

4.7) Review with the Internal Audit Group Managing Director the utilization of resources to be in line with the established policy or operating manual.

4.8) Review with management the material deficiencies found from auditing and their responses.

4.9) Submit opinions to the Board of Directors concerning the appointment, transfer, dismissal, remuneration fixing and appraisal of the Internal Audit Group Managing Director and all internal auditors of the Internal Audit Group.

4.10) Assess the performance of the Internal Audit Group Managing Director.

4.11) Perform the Independent Quality Assessment Review by external auditor at least every five years.

5) Regulatory Compliance

5.1) Review all compliances with relevant laws, rules and regulations stipulated by the official authorities and the regulators so as to prevent penalty charges, warning or reputation of the Bank and its executives.

5.2) Supervise the financial business group

(1) Supervise and monitor the operation to be in accordance with financial business group policy.

(2) Review accuracy and adequacy of financial report of financial business group.

6) Risk Management

6.1) Review crucial risk levels and risk assessment methods used by the internal auditor and the Bank's auditor whether they are adequate and reliable.

6.2) Review the awareness of the Board of Directors and top executives on key risks and those related to strategic risk, credit risk, market risk, liquidity risk and operational risk.

7) Performance Assessment

Conduct self-assessment and the Board of Directors will evaluate the Audit Committee's annual performance.

8) Charter Establishment and Review

Establish and review Charter of the Audit Committee at least once a year for submission to the Board of Directors for approval.

9) Other Responsibilities

9.1) Authorized to audit or investigate concerned persons under the scope of authority and responsibility of the Audit Committee and to hire specialist to assist in auditing or investigation.

9.2) Perform other jobs as assigned by the Board of Directors and with consent from

The Nominating and Remuneration Committee

Scope of Authority and Responsibility of the Nominating and Remuneration Committee

The Nominating and Remuneration Committee has been delegated from the Bank to perform the following duties:

1) Set policy, criteria and procedure in nominating and fixing remuneration including other benefits for the directors, top executives and authorized personnel.

2) Recommend overall policy concerning the fixing of remuneration and other benefits.

3) Recruit and select applicants with qualifications according to rules and relevant laws to be presented to the Board of Directors for consideration as

3.1) Director

3.2) Member of respective committees delegated from the Board of Directors

3.3) Top executives and authorized person

4) Oversee that the size of the Board of Directors is justifiable and appropriate for the organization and the changing environment. The Board of Directors must comprise of the personnel with knowledge, skill and experience in various areas.

5) Activate the Board of Directors to select new director to replace the one that has completed term of office according to the Articles of Association.

6) Oversee that directors, top executives and authorized persons' remunerations are justifiable with their duties and responsibilities. Remunerations are adjusted in accordance with additional duties and responsibilities of such director.

7) Set up guidelines for assessing the performance of directors, top executives and authorized management personnel when revising annual compensations and takings into consideration the duties, responsibilities, related risks and long term value creation for shareholders.

8) Disclose policy and details of recruiting procedures and fixing of remunerations, all types of benefits and report the process of determining remunerations. At least the details of objectives, performance, and recommendation of the Nominating and Remuneration Committee must be disclosed in the annual report.

9) Perform other tasks as assigned by the Board of Directors.

Corporate Governance and Social Responsibility Committee

Scope of Authority and Responsibility of Corporate Governance and Social Responsibility Committee

1) Present policy on corporate governance and social responsibility of the Bank and subsidiaries to the Board of Directors.

2) Oversee that operations are in compliance with the principles of corporate governance stipulated by the regulators such as the Bank of Thailand, the Stock Exchange of Thailand and the Securities and Exchange Commission, together with bearing social responsibility.

3) Regularly review the corporate governance and social responsibility policy to be in consonance with international practices and recommendations of related institutions.

4) Recommend Code of Best Practices or Board of Directors Charter to the Board of Directors as well as other established committees of the Bank.

5) Recommend Code of Business Conduct and Code of Best Practices for executives and staff members.

6) Encourage good corporate governance culture and participation in social activities for sustainable development, which must be acknowledged and carried out effectively by staff in all levels.

7) Appoint subcommittee to support corporate governance and social responsibility work as deemed appropriate.

8) Perform other tasks assigned by the Board of Directors.

Risk Management Committee

Risk Management Committee comprised of Directors, President and top executives from the Risk Management Group, Operation Group and Financial management Group.

Scope of Authority and Responsibility of Risk Management Committee

1) Present / set out the overall risk management policy and strategy to Board of Directors.

2) Set out strategies in consonance with the risk management policy and control, monitor and assess risk management. Follow the guidelines prescribed by the Bank and the regulators.

3) Formulate the risk management policy and oversee risk management of the financial business group to be in compliance with the Consolidated Supervision guidance of the Bank of Thailand. Furthermore, control, monitor and assess risks of the financial business group for better efficiency and to be at acceptable levels.

4) Report the operating performance of the Risk Management Committee to the Audit Committee regularly every month and report the same to the Board of Directors every quarter.

5) Perform other task assigned by the Board of Directors.

Risk Management Committee has arranged for the regular meeting at least once a month or as deem appropriated.

The Compliance Committee

Scope of Authority and Responsibility of the Compliance Committee

The regulatory compliance committee was appointed by the Board of Directors to be responsible for 6 major operations as follows;

1) Supervise and monitor risks resulted from the default against the law and regulations via the Compliance Department.

2) Review the Charter of the Compliance Committee on regular basis for submission to the Board of Directors for approval.

3) Assess annual performance of the Compliance Department to maintain independence and avoid conflict of interest. Review policy and regularly assess efficiency of risk management in regulatory compliance to ensure that the Bank's regulatory compliance is appropriate.

4) Approve the Annual Compliance Report.

5) Review the review report or monitor the regulatory compliance. It may be asked to review or monitor transactions that default on compliance and the Bank considered them as being important cause of risk.

6) Report to the Board of Directors for acknowledgement the result of the review report or monitor the regulatory compliance. The committee shall consider for the improvement in case the default on compliance occurred.

Independent Director Committee

Definition of Independent Director

Independent director must not have any business or work related to commercial bank that might have an impact on his/her independent decision-making and must have additional qualifications which are more intensive than the Capital Market Supervisory Board's regulations in terms of shareholding as follows:

- (a) Not holding more than 0.5 percent of the total number of voting shares of the bank or the bank's parent company, subsidiary, associated company, major shareholder or any person with control power over the bank including shares held by any related person of such an independent director.
- (b) Not be or have been a director in the management of the bank, or an employee, officer or an advisor of the bank receiving regular salary, and not be and have not been a person with control power over the bank or the bank's parent company, subsidiary, or associated company, or a subsidiary of another company in the same level, unless such person has resigned from such position for at least two years. Such restriction or prohibition shall not apply to an independent director who has been a government officer or an advisor of a government authority that is the major shareholder of the bank or the person with control power over the bank.

- (c) Not be a person having relationship either through lineage or legal registration as a father, mother, spouse, sibling or child, including spouse of a child of any director, executive or major shareholder of the bank or the bank's subsidiary, or of any person with power to control the bank or the bank's subsidiary, or of the person being nominated to be a Director, an executive or a person having power to control the bank or the bank's subsidiary.
- (d) Not having and have not had any business relationship with the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or with the person with control power of the Bank that may have conflict of interest, in the manner in which his/her independent discretion might be affected, and not be and have not been a substantial shareholder of or a person with power to control the person that has business relationship with the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or person with control power over the Bank unless such an independent director has not been a person referred to above for not less than two years. Business relationship referred to the first paragraph above shall mean to include any ordinary course of business or trade for business engagement purpose, any lease taking or lease out of any property, any transaction relating to asset or services, any financial support by way of either borrowing, lending, guaranteeing or collateral providing or any other manner similar thereto that could result to an obligation required to be performed by the Bank or the party thereto in an amount of three percent or more of the net tangible asset value of the Bank or twenty million Baht or more, whichever is lesser. In light of this, the method for calculation of the value of connected transaction pursuant to the Capital Market Supervising Committee's Notification, Re: Regulations in respect of an Entering into a Connected Transaction shall be applied *mutatis mutandis* for the purpose of calculation of such amount of debt of the Bank, provided that the amount of debt incurred during the past one year prior to the date on which such a business relationship with such person exists.
- (e) Not be and have not been an auditor of the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or of any of the person with control power over the Bank, and not be and have not been a substantial

shareholder of, a person with power to control over, or a partner of any auditing firm or office in which the auditor of the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or the person with control power over the Bank is working, unless such an independent director has not been a person referred to above for not less than two years. (f) Not be and have not been a professional advisor, including legal or financial advisor who receives fee of more than two million Baht per year from the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or from the person with control power over the Bank and not be and have not been a substantial shareholder of, a person with control power or a partner of any of such professional service provider firm or office, unless such an independent director has not been a person referred to above for not less than two years.

- (g) Not be a director appointed as a representative of a director of the Bank, a representative of a major shareholder of the Bank, or a representative of a shareholder of the Bank which is a related person of the major shareholder of the Bank.
- (h) Not engage in any business of the same nature of which is the same as that of the Bank or the Bank's subsidiary and which, in any material respect, is competitive with the business of the Bank or the Bank's subsidiary, or not be a substantial partner in a partnership, a director taking part in the management, an employee or officer, an advisor receiving regular salary from, or a shareholder holding more than one percent of the voting shares of a company engaging in any business the nature of which is the same as that of the Bank or the Bank's subsidiary and which, in any material respect, is competitive with the business of the Bank or the Bank's subsidiary.
- (i) Having no other characteristics by which his/her independent comment or opinions on the Bank's operation may be affected.
- (j) The person must be nominated through the Board of Directors or the Nominating and Remuneration Committee.

After being appointed as an independent director of the Bank and having qualifications stated in (a) to (j), he/she may be assigned by the Bank's Board of Directors to make decision in respect of business operation of the Bank, or the Bank's parent company, subsidiary, associated

company, or a subsidiary of another company in the same level of the Bank, the major shareholder of the Bank, or the person having control power over the Bank, provided that such decision made must always be made on a collective decision basis.

Furthermore, when the Capital Market Supervisory Board/the Securities and Exchange Commission announce any improvement/flexibility of the regulation of Independent Director's qualifications, it will then be applied afterward.

Scope of Authority and Responsibility of the Independent Committee

1) Recommend agenda of meeting to the Chairman of the Board of Directors for the issue that is deemed as important or issues that should be considered by the Board and not yet included on the agenda.

2) Provide opinions to the Chairman of the Board of Directors regarding to the role and performance of the Board.

3) Support the Board of Directors in boosting efficiency in complying with the principles of good corporate governance.

4) In case where the Board of Directors consider material agenda items such as related-party items or significant property trading, Independent Directors of over half the total number of Independent Directors should join in the consideration of such material agenda items.

5) In case where the Independent Directors may have conflicting opinions or any other observations on agenda items under consideration by the Board of Directors meeting, such opinions or observations should also be recorded in the minutes of the Board of Directors meeting every time.

6) Monitor the performance by the Independent Directors who have been designated to take position in various subcommittees especially in the issues of regulatory compliance, international accounting standards and risk management.

7) Perform any other tasks as assigned by the Board of Directors.

4.3.2 Roles of President and Authorized Signatory Directors

President

The President is empowered to oversee that the management and business operation of the Bank is in accordance with strategies, policies and objectives as formulated and set by the Board of Directors with the following responsibilities:

1) Oversee that the operation of the Bank is in accordance with the strategies, policies, rules and procedures and targets designated by the Board of Directors.

2) Manage work with restriction to the plan or budget approved by the Board of Directors and for the benefit of the Bank and the shareholders.

3) Supervise staff members and employees in accordance with the objectives and authority of the Bank.

4) Build and maintain relationship and collaboration with various agencies, institutions and organizations, onshore and offshore.

5) Represent or be an authorized person on behalf of the Bank when dealing with external agencies, regulators or conducting any legal acts with legal binding as assigned by the Board of Directors within the framework of the Bank's objectives and Articles of Association.

6) Attend meetings and take directorship or membership of committee as appointed by the Bank.

7) Consider any other topics as designated by the Board of Directors and respective committees.

4.3.3 Remunerations for the Board of Directors and Executive Officers

The Bank proposes directors' remuneration in every form, e.g. remuneration for directors, position allowances, meeting allowances and directors' pension without any privilege in the shareholder general meeting to consider approving annually. The Nominating and Remuneration Committee has a duty to consider appropriateness and commensurate with directors' scope of duties and responsibilities; the Bank's financial status comparable to other companies at the same level of business group. Remuneration is divided into 4 parts as follows:

1) Remuneration for the position in the Board of Director

2) Ex-officio remuneration to individual director of the Board of Directors as follows:

2.1) Chairman of the Board of Directors

2.2) Vice Chairman of the Board of Directors

2.3) Chairman of other Boards e.g. the Chairman of the Board of Executive Directors, the Audit Committee, the Nominating and Remuneration Committee, the Corporate Governance and Social Responsibility Committee, the Risk Management Committee and the Compliance Committee and the Chairman of other Boards that the Bank of Thailand required to have or was deemed to have or the Board of Director was deemed as necessary.

3) Meeting honorarium shall be paid to the Directors in complying with the number of attendance.

4) Directors' gratuity is subject to the following criteria:

- 4.1) The Bank must obtain profit from its operation, and
- 4.2) The Bank must pay dividend to the shareholders

According to remuneration for executive officers, the Nominating and Remuneration Committee has been authorized to setup the policy, criteria and the method of remuneration payment, including other benefits to be in accordance with the directors' volume of tasks and responsibilities. In this regard, the Bank paid remuneration classified as salary, allowance and extra gratuity to the Bank's Executive Officers comprising of President, First Senior Executive Vice President, Senior Executive Vice President and First Executive Vice President – Managing Director. In making such payment, the Bank did not pay its matching fund into the provident fund.

4.4 Quality of Financial Statements

The Board of Directors gives importance to and takes responsibility for the consolidated financial statements of the Bank and subsidiaries including financial information in the Annual Report. Such financial statements are prepared in accordance with the accounting standards and generally accepted accounting principles through the use of appropriate accounting policy so as to reflect the true operating performance of the Bank. Operating performance and disclosed information is ensured to be transparent and adequate through regular reporting to the Stock Exchange of Thailand for the benefits of the shareholders and general investors. Moreover, the Board of Directors has appointed the Audit Committee comprising Independent Directors to oversee and review the reliability and accuracy of financial reports as well as the internal control systems, thus the Bank's financial reports are believed to be reliable.

4.5 Investor Relations

The Financial Institutions & Investor Relations Department, Financial Management Group has been assigned to equally and fairly provide and disseminate information and activities of the Bank which are beneficial for all related parties, including retail investors, institution investors, general investors, stock analysts, domestic and foreign fund managers as well as government agencies through communication events.

Financial Institutions & Investor Relations Department Contact Information

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Address : Krung Thai Bank Pcl., 6th floor, Nana Nue Buliding
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Bangkok, 10110

Website : <http://www.ktb.co.th> and navigate to “Investor Relations”

5. Responsibility of the Board of Directors

5.1 Independence from the Management

The Board of Directors takes responsibility in performing its duty and is independent from the Management for the optimum benefits of the Bank and shareholders. There is clear segregation of duty and responsibility between the Board of Directors and the Management. In this respect, the Board of Directors will formulate policies and oversee that work proceed lawfully and ethically under the formulated policies. Moreover, for check-and-balance, the Chairman of the Board of Directors, the Chairman of the Board of Executive Directors and the President are all different people.

5.2 Appropriateness of the Board of Directors

The number of Directors is in accordance with the Articles of Association, Article 19 which stipulates that “There shall be no less than 7 directors and no more than 15 directors as determined by the general meeting from time to time and no less than half of the total number of directors must reside in the Kingdom”.

5.3 Maximum Number of Directorship in Companies

- 1) Each Director is allowed to be a director of no more than 3 state enterprises.
- 2) A director, manager or authorized person of a financial institution is allowed to hold the position(s) of Chairman of the Board of Directors, Executive Director or Authorized Director of no more than 3 other business groups.
- 3) Each Director is allowed to be a director of no more than 3 listed companies in the Stock Exchange of Thailand.

5.4 Directors’ Terms of Office

The directors’ term of office is under the charter of each committee. Article 22 has prescribed that one-third or the directors must retire at each annual general meeting. If the number cannot be divided exactly into one-third, such number must be closest to one-third. Unless otherwise agreed among themselves, the directors to retire during the first and the second times shall be drawn by lots and subsequently the director that has been longest in the

office shall retire. A retiring director is eligible for re-election. Moreover, the Bank has stipulated additional provisions concerning appropriateness of Director's terms of office that it should not be over three consecutive terms except that any Director is considered appropriate to take director office longer than such terms. The Board of Directors would consider the efficiency in job performance of such Director and explain the supportive reasons together with his or her job performance to the shareholders.

5.5 Transparency in Nominating Directors

5.5.1 Selection of Directors

The Bank has appointed the Nominating and Remuneration Committee to select and scrutinize applicant nominated for directorship. Such person must be qualified and not forbidden by law to be director of commercial bank or securities companies as prescribed by the Bank of Thailand, Securities and Exchange Commission Thailand and other authorities concerned. The candidate must also have the qualifying qualifications, skills, knowledge, competency and experience as required by the Bank for the Board of Directors to submit to the shareholders' general meeting. After approval of the appointment, the responsible business unit will proceed with the registration of director change and/or report to the units concerned within the specified time. Directors who completed their terms of office may be re-elected. In addition, the Bank organizes orientation for directors to inform them of their role, duty and responsibility as well as various rules and policies needed for the understanding of the Bank's operation.

5.5.2 Appointment of Director

There are two cases:

Case 1: Appointment of new director to replace those who completed his or her term of office will be done in the shareholders' general meeting. Director who completes his/her term may be re-elected.

Case 2: Appointment of director to replace those who left the office before completion of term shall be made by the Board of Directors with voting of no less than three-fourths of the subsisting directors. Qualified person without any forbidden traits will be selected as director and will stay in office only for the remaining tenure of the Director who left.

5.5.3 Rights of Minority Shareholders in Appointment of Director

The general meeting of shareholders shall elect director on the following criteria:

1) One share equals one vote except preferred shares with provision of condition to have less voting right than ordinary shareholder.

2) Each shareholder may exercise all the votes to elect one person or several persons but is not entitled to divide the votes for any particular person.

3) Persons receiving the highest votes in descending order shall be elected. The number to be elected depends on the vacancy at that time. In the event of a tied vote for the last opening, the Chairman of the general meeting shall cast the deciding vote.

In addition, the Bank allows shareholders to add agenda including naming of qualified applicant as director through the Bank's website from October 1 to December 31 of each year prior to the general meeting. The named applicant will be scrutinized by the Nominating and Remuneration Committee and the Board of Directors. Result will be notified through the website and that of the Securities Exchange of Thailand in March of every year and will also be notified again on the date of shareholders' general meeting.

5.6 Efficiency of the Board of Directors

5.6.1 Formulating Policies and Overseeing Management

The Board of Directors has performed its duty honestly and prudently safeguarding the shareholders' interest particularly in giving its consent to the Bank's vision, mission, strategy and approving key issues relating to operating direction and policy including business plan and annual budget. In so doing, the Board has adopted principles of logic and justification with careful analysis of business condition and social and environmental factors. At the end of second quarter each year, the Board calls a meeting to review the Bank's policies and targets and at the last quarter of each year, the Bank's business plan of the next year shall be formulated for forwarding to the Management for brainstorming sessions with the executives of all business units and branches nationwide to come up with an efficient operating strategy toward unified target.

Apart from this, the Board of Directors oversees that performance of the Management is in accordance with the determined key performance indicators (KPIs) in early year and monitoring the operating performance on monthly and quarterly basis in order to recognize the status at every stage. If the operating performance falls short of the target, the Board will conduct an analysis to find the root causes for further solutions. At year-end, the Board will compare the Management's performance with the KPIs set under the Performance Agreement (PA). Additionally, the Board controls and verifies the Management's managerial work to ensure transparency and compliance with the Bank's code of conduct, effectively applied since 1998,

with update and revision to suit the change of working environment. The Board also oversees the internal control and risk management so that they would proceed appropriately.

As regard to directorship in other company, the Bank has established clear policy for type of directorship and number of companies in which they are entitled to hold the post as follows:

Case 1: President

According to directorship of the President in other company, the President is able to hold positions in the Listed Companies not exceeding 3 companies. In addition, such directorship holding must not affect the duty as the Bank's President as well as such duty and position in the Bank must not get involved in any business of those companies. Directorship of the President in other companies must receive approval from the Board of Directors and the information on such directorship shall be disclosed in Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2) to shareholders.

Case 2: Other Executives

Turning to directorship of other executives, the Bank's procedures shall be complied.

5.6.2 Relevant Committees

The Board of Directors shall appoint the additional subcommittee with appropriateness to the current situation so as to assist in study and scrutinize the tasks as deemed necessary to ensure the Board's higher efficiency and effectiveness in performing its duty.

5.6.3 Self-Assessment of Individual Performance

The Bank requires the Board of Directors to do self-assessment twice a year so as to reflect operational efficiency according to the principles of good oversight. The self-assessment is divided into three types: self-assessment of the entire Board of Directors, self-assessment of individual Director and inter assessment of individual Director.

(1) Self-assessment of the Entire Board of Directors consists of six areas namely Structure and qualifications of Directors, role and responsibility of the Board, guideline practices of the Board, communications of the Board and relationship between the Board and the Management and Board Meeting.

(2) Self-assessment of the Individual Director covers six areas namely outstanding in competency, independence, readiness for performance, responsibility, operating performance as Director on Board and vision to create long term value and ethics.

(3) Inter-assessment of Individual Director comprises six areas namely outstanding in competency, independence, readiness for performance, responsibility, operating performance as Director on Board and vision to create long term value and ethics.

The Bank concluded the assessment results to all the Directors for acknowledgement as a move toward creation of good corporate governance within the Bank, a stable and continued growth with efficient, transparent and fair management that will bring confidence to all concerned.

5.6.4 Development of Directors and Executives

The Bank insists that the Board of Directors and the executives are provided with training programs to enrich their knowledge on a continuous and regular basis. Moreover, upon each appointment of Director, the Bank organizes Directors Orientation for newly appointed Directors to inform them about business plan, products and services, capital and shareholding structure, organization structure and key legal issues necessary for performing the duty of Director of a registered company. The presented topics covered;

- 1) Composition of the Board of Directors as well as the Board meeting schedules
- 2) Calendar and agenda for the Board of Directors meeting
- 3) Standard agenda
- 4) Relevant laws
- 5) Capital and shareholding structure, certification letter, Memorandum of Association, Articles of Association and minutes of the shareholders' meeting
- 6) Assessment of enterprise Board of Directors by the Thai Institute of Directors Association
- 7) Credit rating
- 8) Directors & Officers Liability insurance
- 9) Audit results by the Bank of Thailand
- 10) Operational progress according to audit reports of the Bank of Thailand
- 11) Financial institution supervision under Basel II framework
- 12) Business Plan of the Bank
- 13) KTB Corporate War Room
- 14) Directorship in subsidiaries, affiliated and associated companies
- 15) Organization structure and executives list
- 16) Plan of Head Office Building

5.6.5 Board of Directors Meeting

Dates of the Board of Directors meeting have been fixed in advance through the year on the second and the fourth Thursday of every month and there may be extra meeting when appropriate. Meeting agenda was categorized into headings for efficiency such as Chairman's Statement for information, adoption of previous meeting's minutes, on-going issues, policies, loan, debt restructuring, investment, property trading and procurement, human resources, issue for information and other businesses. The Board of Directors will be notified with meeting agenda and related document at least 7 days before the meeting date. Corporate secretary will note the minutes and retain for audit after the Board of Directors' approval.

5.7 Corporate Secretary

It's the Bank's policy to appoint the Secretary to the Board of Directors and the Corporate Secretary to be in compliance with the principles of good corporate governance of the Bank. Main duty and responsibility include:

- 1) Oversee activities of the Board of Directors to be in compliance with the relevant applicable laws, rules and regulations.
- 2) Organize shareholders general meeting and the Board meeting to be in compliance with the relevant laws and the Bank's Articles of Association and monitoring those actions taken according to the meeting resolution for accuracy and compliance.
- 3) Prepare and retain the following documents:
 - Director registration
 - Notice of board meeting to Directors, minutes of the Board of Directors meeting and the annual report of the company.
 - Notice of shareholders general meeting and minutes of such meeting.
- 4) Retain the reports on interest reported by Directors and executives.
- 5) Monitor the actions taken in accordance with the resolutions of the Board of Directors meeting and shareholders meeting.
- 6) Provide appropriate recommendations to Directors concerning legal matter, rules and regulations of the Bank.
- 7) Oversee corporate governance issues.
- 8) Acting as a consultant and coordinator with secretaries of respective committees of the Bank.
- 9) Communicate with the shareholders to inform them of their rights and news of the Bank.
- 10) Take any other actions are prescribed by the Capital Market Supervisory