

Part 2 Management and Corporate Governance

7. Securities and Shareholders information

7.1 Securities Information

The registered and issued and paid-up share capital of the Bank as of 31 December 2015 are as follows:

- Registered Capital : THB 13,705,170,716.00 (thirteen billion seven hundred five million one hundred seventy thousand seven hundred and sixteen baht), which comprises:
- : 27,410,341,432 (twenty-seven billion four hundred ten million three hundred forty-one thousand four hundred and thirty-two) ordinary shares, with a par value of THB 0.50 (fifty satang)
 - : No preference shares
- Issued and Paid-up Share Capital : THB 12,387,365,839.50 (twelve billion three hundred eighty-seven million three hundred sixty-five thousand and eight hundred thirty-nine baht and fifty satang), which comprises:
- : 24,774,731,679 (twenty-four billion seven hundred seventy-four million seven hundred thirty-one thousand six hundred and seventy-nine) ordinary shares, with a par value of THB 0.50 (fifty satang)
 - : No preference shares

7.2 Shareholder

(1) Major Shareholder of the Bank

a. Top 10 shareholders of the Bank as of 20 November 2015:

No.	Name of Shareholders	Number of Shares	% of Total
1.	CIMB BANK BERHAD	23,215,584,403	93.71
2.	BANK JULIUS BAER & CO. LTD, SINGAPORE	760,756,147	3.07
3.	THAI NVDR CO., LTD.	153,838,795	0.62
4.	MR. PISIT PRUKPAIBOON	32,609,986	0.13
5.	MR. PREECHA SUJINANKUL	14,100,000	0.06
6.	MR. PRAWIT PHANSAICHUE	13,452,575	0.05
7.	SCB SET INDEX FUND	11,944,716	0.05
8.	SCB SET BANKING SECTOR INDEX	11,450,425	0.05
9.	MRS. JAROONLUK PANICHSHEEWA	9,623,250	0.04
10.	MR. SOMCHAT NAMSRICHAROENSUK	8,951,267	0.04
	Other Shareholders	542,420,115	2.19
	Total 6,889 shareholders holding	24,774,731,679	100.00
	Thai shareholders	788,891,714	3.18
	Foreign shareholders	23,985,839,965	96.82
	Total number of shares	24,774,731,679	100.00

b. Major shareholders with significant influence over planning and directing the Bank's operations

Major shareholder with significant influence over planning and directing the Bank's operations is CIMB Bank Berhad. It holds 23,215,584,403 of the total issued and paid-up shares of the Bank, which is equivalent to 93.71%.

(2) Operating Business as a Holding Company

- None -

(3) Major shareholder agreements regarding share issuance or the Company management

- None -

7.3 Issuance of Other Debt Securities

Issuance of Debt Securities of the Bank (As of 31 December 2015)

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
1. Subordinated debenture ¹	None	22 December 2003	None	None	544,502,520	None	None
2. Subordinated and unsecured debenture, with debenture holder representative (Issued: 14 July 2011)	5.35% per annum	14 July 2021	None	The debenture is redeemable subject to the following conditions: 1) Prior to the end of 5-year period from the issue date, if the Issuer is informed by the BOT that: 1.1 The debenture is unable to be or is no longer qualified as Tier 2 capital of the issuer, or 1.2 The debenture can be counted as Tier 2 capital of the issuer, but at lower than 50% of Tier 1 capital of the issuer, or 1.3 The proceeds from the issuance of this debenture counted as Tier 2 capital shall be amortised upon calculated as Tier 2 capital, 2) Upon the end of 5-year period before the	3,000,000,000	Issue rating A+(tha) by Fitch Ratings (Thailand) Limited	Bank of Ayudhya Plc.

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
				redemption date or or at any interest payment date after the 5-year period from the issue date, or 3) The issuer can prove that interest payable under the debenture cannot be deducted as expense of the issuer for the taxation benefit of the issuer, or 4) Any other conditions as the Bank of Thailand may prescribe later.			
3. Subordinated and unsecured debenture, with debenture holder representative (Issued: 9 November 2012)	4.80% per annum	9 November 2022	None	The debenture is redeemable if written approval from the Bank of Thailand has been obtained and subject to the following conditions: 1) Upon the end of 5-year period from the issue date or at any interest payment date after the 5-year period from the issue date, or 2) The issuer can prove that interest payable under the debenture cannot be deducted as expense of the issuer for the taxation benefit of the issuer, or 3) Any other conditions as the Bank of Thailand may prescribe later. To seek approval from the Bank of Thailand as stated above, the issuer	3,000,000,000	Issue rating A+(tha) by Fitch Ratings (Thailand) Limited	Bank of Ayudhya Plc.

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
				shall first propose its redemption and substitution plans to the Bank of Thailand.			
4. Tier 2 subordinated debt ²	5.60% per annum	5 July 2024	None	For early redemption for each tranche of the subordinated debt where call option is applicable, the issuer may, at its sole discretion and subject to prior approval of the Bank of Thailand and submission to the Bank of Thailand redemption and substitution plans at least thirty (30) days prior to the call date, redeem and cancel the subordinated debt in whole but not in part on the call date in the principal amount together with all deferred and accrued but unpaid interest (if any), under the subordinated debt). The optional redemption by the issuer of the subordinated debt of one tranche does not trigger the redemption of the subordinated debt of other tranches. This is provided that, if required by the Bank of Thailand, 1) the redemption and substitution plans will include the issuance, either immediately or	3,371,180,000 (MYR 400,000,000)	Issue rating AA3 by RAM Rating Services Berhad	None

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
				before the redemption, of financial instruments of equivalent or superior quality in substitution for the subordinated debt to be redeemed; and 2) the issuance of these substitute instruments will not affect the issuer's ability to perform its business operation.			

- Notes: 1. Referring to a subordinated debt instrument transferred from a financial institution under regulatory intervention, i.e. Union Asia Finance Plc., in the amount of THB 544.50 million.
2. Referring to a subordinated debt instrument with cash flow hedge in the amount of MYR 400 million.

7.4 Dividend Policy of CIMB Thai

The Bank's policy is to allocate dividend to shareholders at not over 40% of its net profit (after corporate income tax) of each operational year. Article 43 of the Bank's Articles of Association states: "No dividend shall be paid otherwise than out of profits. If the Company has incurred accumulated losses, no dividend may be paid. The remaining profit from paying the dividend can be allocated as the reserve funds as the Board of Directors may think fit. The Board of Directors may pay interim dividend to shareholders from time to time as it deems that the Company has enough profit to do so, and the payment of such dividend shall be reported to the shareholders at the next meeting. The payment of dividend shall be made within the time prescribed by law and the written notice of such payment of dividend shall be sent to the shareholders and also published in a newspaper." With respect to the Bank's subsidiary companies, the decision to declare a dividend payment is at the discretion of the respective subsidiaries' Boards of Directors and is dependent upon the subsidiaries' net earnings.

8. Management Structure

8.1 Board of Directors

As of 31 January 2016, the Board of Directors was composed of the following nine directors:

	Name	Position
1.	Dato' Robert Cheim Dau Meng	Chairman / Member and Alternate Chairman of Nomination, Remuneration and Corporate Governance Committee
2.	Mr. Sukont Kanjana-Huttakit	Vice Chairman / Independent Director / Chairman of Audit Committee
3.	Mrs. Watanan Petersik	Independent Director / Member of Audit Committee / Chairperson of Nomination, Remuneration and Corporate Governance Committee
4.	Dato' Shaarani Bin Ibrahim	Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee
5.	Mr. Chitrapongse Kwangsukstith	Director / Member and Alternate Chairman of Board Risk Committee
6.	Ms. Serena Tan Mei Shwen	Director / Member of Board Risk Committee
7.	Dato' Lee Kok Kwan ^{/1}	Director / Chairman of Board Risk Committee
8.	Mr. Subhak Siwaraksa	President and Chief Executive Officer

Note

/1 The Board meeting, held on 27 November 2015, resolved to appoint Dato' Lee Kok Kwan as a director in place of Mr. Kenny Kim who had resigned.

* The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as an independent director and Audit Committee member, effective from 1 January 2016.

Directors Nominated by Major Shareholder

CIMB Bank Berhad (CIMB Bank) has appointed two representatives to the Board, namely Dato' Robert Cheim Dau Meng, Dato' Lee Kok Kwan and Ms. Serena Tan Mei Shwen

Authorised Signatories

The directors who are authorised signatories of the Bank are Mr. Subhak Siwaraksa Mr. Chitrapongse Kwangsukstith, with both of whom to jointly sign and affix the Bank seal.

Meeting Attendance of Board of Directors

In 2015, the Bank arranged meeting of Board of Directors totalling 12 times. Details of the meeting attendance of each Board members are shown in the table below:

No.	Name	Position	Numbers of the meetings attended
1.	Dato' Robert Cheim Dau Meng	Chairman / Member and Alternate Chairman of Nomination, Remuneration and Corporate Governance Committee	10/12
2.	Mr. Sukont Kanjana-Huttakit	Vice Chairman / Independent Director / Chairman of Audit Committee	11/12
3.	Mrs. Watanan Petersik	Independent Director / Member of Audit Committee / Chairperson of Nomination, Remuneration and Corporate Governance Committee	10/12
4.	Dato' Shaarani Bin Ibrahim	Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee	11/12
5.	Ms. Sopawadee Lertmanaschai ^{/1}	Independent Director / Member of Audit Committee	7/12

No.	Name	Position	Numbers of the meetings attended
6.	Mr. Chitrapongse Kwangsukstith	Director / Member and Alternate Chairman of Board Risk Committee	9/12
7.	Mr. Kenny Kim ^{/2}	Director	8/12
8.	Ms. Serena Tan Mei Shwen	Director	6/12
9.	Mr. Subhak Siwaraksa	President and Chief Executive Officer	12/12

Note:

^{/1} The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as Independent Director and Audit Committee Member, taking effect from 1 January 2016.

^{/2} The Board meeting, held on 29 September 2015, resolved to acknowledge the resignation of Mr. Kenny Kim as Board Member, taking effect from 1 October 2015.

8.2 Executive Management

As of 31 January 2016, the Bank's executive management was composed of:

1. Mr. Subhak Siwaraksa President and CEO
2. Mr. Surachai Chitratsene^{/1} Deputy CEO & Senior Executive Vice President
Business Support Group
3. Mrs. Panute Na Chiangmai Senior Executive Vice President
Risk Management Group
4. Mr. Pornchai Padmindra Senior Executive Vice President
Wholesale Banking Group
5. Mr. Adisorn Sermchaiwong Senior Executive Vice President
Retail Banking Group
6. Mr. Sutee Losoponkul Senior Executive Vice President
Treasury Group
7. Ms. Siriporn Sanunpairaue Senior Executive Vice President
Internal Audit Division
8. Mr. Jason Leong Kok Yew^{/2} Executive Vice President
Acting Head of Finance Group
9. Mr. Narong Lerdluckanawong^{/3} Executive Vice President
Trade Finance Sales & Product Division
Acting Head of Transaction Banking Group
10. Mrs. Siriporn Ambhanwong^{/4} Executive Vice President
Operations Division
Acting Head of Group Information and Operations Division
11. Mr. Tan Keat Jin^{/5} Executive Vice President
Strategy Division
12. Mrs. Kanokpai Vongsatitporn Executive Vice President
Human Resources Management Division
13. Mr. Prapas Thongsuk Executive Vice President
Corporate Communications Division
14. Mr. Thaphop Kleesuwan Executive Vice President
Office of the President & Compliance Department

Note

^{/1} The Board meeting, held on 26 October 2015, resolved to extend the employment and appointment of Mr. Surachai Chitratsene as Deputy CEO and Senior Executive Vice President, Business Support Group, taking effect from 1 January 2016 to 31 December 2016.

^{/2} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Jason Leong Kok Yew as Executive Vice President, Acting Head of Finance Group, taking effect from 1 February 2016.

^{/3} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Narong Lerdluckanawong, Executive Vice President, Trade Finance Sales & Product Division as Acting Head of Transaction Banking Group, taking effect from 12 January 2016.

^{/4} The Board meeting, held on 27 November 2015, resolved to appoint Mrs. Siriporn Ambhanwong, Executive Vice President, Operations Division as Acting Head of Group Information and Operations Division, taking effect from 12 January 2016.

^{/5} The Board meeting, held on 29 September 2015, resolved to appoint Mr. Tan Keat Jin as Executive Vice President, Strategy Division, taking effect from 1 October 2015.

As of 31 January 2016, CIMB Thai has 9 executives from Senior Executive Vice President upward and executives in Accounting and Finance in accordance with the SEC definition of the term 'executives' as below:

- | | | |
|----|----------------------------|--|
| 1. | Mr. Subhak Siwaraksa | President and CEO |
| 2. | Mr. Surachai Chitratseneee | Deputy CEO & Senior Executive Vice President ,Business Support Group |
| 3. | Mrs. Panute Na Chiangmai | Senior Executive Vice President , Risk Management Group |
| 4. | Mr. Pornchai Padmindra | Senior Executive Vice President, Wholesale Banking Group |
| 5. | Mr. Adisorn Sermchaiwong | Senior Executive Vice President, Retail Banking Group |
| 6. | Mr. Sutee Losoponkul | Senior Executive Vice President, Treasury Group |
| 7. | Mr. Pao Chatakanonta | Senior Executive Vice President, Deputy Treasurer |
| 8. | Ms. Siriporn Sanunpairaue | Senior Executive Vice President, Internal Audit Division |
| 9. | Ms. Winita Kimsawadi | Senior Vice President, Financial Reporting Department Finance Division |

Management Structure (as at 31 December 2015)



8.3 Company Secretary

The Board has appointed Mr. Thaphop Kleesuwan as Company Secretary and Secretary to the Board of Directors to assist the Board in fulfilling its tasks. His duties include providing legal advice and ensuring that the Board activities are complied with applicable laws and regulations as well as be in line with corporate governance principles, as follows:

- Providing preliminary advice and recommendations pertaining to legal, regulatory and governance issues and practices to the Board.
- Arranging board and shareholder meetings in accordance with the laws and the Bank's Articles of Association, preparing minutes of these meetings and monitoring compliance with the resolutions passes at those meetings.
- Ensuring that corporate information disclosures to regulatory agencies are in accordance with laws and regulations,
- Communicating with shareholders on their legal rights and material Bank information.
- Maintaining the register of directors, reports of Board meetings, reports of stakeholder meetings, reports of beneficial interests of directors and executives , other as required by relevant laws.

Profile of the Company Secretary is shown in attachment 1

8.4 Director and Management Remuneration as of 31 December 2014

(1) Monetary remuneration

a. Remuneration of Board members

This report describes the current components of the Bank's remuneration policy and details of the remuneration for each person during his/her directorship in 2015. The aggregate remuneration for directors comprising meeting and entertainment allowances for Board members and remuneration for Board committee members amounted to THB 10,504,000 in 2015 (compared with THB 8,564,000 in 2014), as described below:

1. Board of Directors	THB	6,136,000 (2014: THB 4,856,000)
2. Audit Committee	THB	1,824,000 (2014: THB 1,764,000)
3. Nomination, Remuneration and Corporate Governance Committee	THB	1,104,000 (2014: THB 1,104,000)
4. Board Risk Committee	THB	1,320,000 (2014: THB 840,000)

(Unit: THB)

Name	Positions	Monetary Remuneration			
		Board and Board Committee Members			
		Board of Directors	Audit Committee	Nomination, Remuneration and Corporate Governance Committee	Board Risk Committee
1 Dato' Robert Cheim Dau Meng	Chairman	2,000,000	-	-	-
2 Mr. Sukont Kanjana-Huttakit	Independent Director	968,000	864,000	-	-
3 Mrs. Watanan Petersik ¹	Independent Director	528,000	-	624,000	360,000
4 Dato' Shaarani Bin Ibrahim	Independent Director	528,000	480,000	480,000	-
5 Ms. Sopawadee Lertmanaschai	Independent Director	528,000	480,000	-	-
6 Mr. Chitrapongse Kwangsukstith	Director	528,000	-	-	480,000

Name	Positions	Monetary Remuneration			
		Board and Board Committee Members			
		Board of Directors	Audit Committee	Nomination, Remuneration and Corporate Governance Committee	Board Risk Committee
7	Mr. Kenny Kim ^{/2}	Director	-	-	-
8	Ms. Serena Tan Mei Shwen	Director	528,000	-	480,000
9	Mr. Subhak Siwaraksa ^{/3}	President and CEO	528,000	-	-
Total		6,136,000	1,824,000	1,104,000	1,320,000

Note

- ^{/1} The Board meeting, held on 29 September 2015, resolved to acknowledge the resignation of Mrs. Watanan Petersik as Board Risk Committee Member.
- ^{/2} Representative director from CIMB Bank, namely Mr. Kenny Kim, has declared their intentions not to receive the meeting allowance in the Board and Board committees.
- ^{/3} Most of the committees are chaired by the President and CEO or have the President and CEO as member. Nevertheless, the President and CEO has declared his intention not to receive the meeting allowances in those committee

b. Remuneration for senior executives

The Board is responsible for determining the procedures for evaluating the performance of senior executives based on the responsibilities, challenges and risks faced by each of them, and how their personal contributions help deliver sustainable shareholder value. The Board is also responsible for determining the appropriate remuneration packages for permanent and contract employees or any other persons having done business for the Bank, as recommended by executive management. In 2015, the aggregate remuneration for 9 Senior Executive Vice Presidents and above including the executives of Finance and Accounting (in accordance with the SEC definition of the term 'executives') was THB 75.05 million. In addition, the aggregate remuneration for 36 Executive Vice Presidents and above (in accordance with the BOT definition of the term 'executives') was THB 195.67 million.

2.2 Other benefits

In 2015, the Bank's contribution towards the provident fund for 9 Senior Executive Vice Presidents and above including the executives of Finance and Accounting (in accordance with the SEC definition of the term 'executives') was THB 3.75 million. Meanwhile, its contribution towards the provident fund for 36 Executive Vice Presidents and above (in accordance with the BOT definition of the term 'executives') was THB 9.55 million

8.5 Organisation and Personnel

As of 31 December 2015 the total manpower of the Bank was 2,896 employees, of whom 1,088 work at Bank branches and 1,808 at the head office, as below:

	No. of employees
1. President and Chief Executive Officer	1
2. Risk Management Group	97
3. Business Support Group	71
4. Finance Group	88
5. Group Information and Operations Division	567
6. Wholesale Banking Group	116
7. Retail Banking Group	1,49
8. Commercial Banking Group	168
9. Treasury Group	66

10. Transaction Banking Group	49
11. Human Resources Management Division	59
12. Office of the President	13
13. Corporate Communications Division	22
14. Internal Audit Division	54
15. Strategy Division	8
16. Compliance Department	23
<u>Total</u>	<u>2,896</u>

Staff Development Programme and Human Resource Management Plan

In 2015, the Bank has developed human resources management system with focus on developing existing internal personnel to become a leader and successor to various key positions in the organization with competency based learning. Training roadmap was in place for branch staff at all levels to ensure increased skills in serving as a professional financial advisor. The Bank has also emphasized on providing all staff levels with leadership programmes, and implemented Learning Management System (LMS) via E-learning for key mandatory training programmes for all staff. Its focus has also been on building an organization culture under CIMB Group's A Better CIMB theme.

Employee Benefits

The Bank has provided employee benefits such as provident fund, social security fund, life insurance, medical treatment, annual health check-up, staff clinic, housing loan, car/motorcycle loan, staff education loan and general purpose loan, that are competitive against other leading banks to attract and retain talented and competent staff. The total fixed salary paid to Bank employees for the fiscal year was THB 2,058.08 million. To be an employer of choice, the Bank will continue to improve its staff benefits to attract and retain quality staff.

Training Courses and Human Resources Development

In 2015, the Bank organised 212 training courses, comprising 103 internal and 109 external courses at a total cost of THB 35.1 million. The number of participants was 2,900 staff or 98% of total staff. The average ratio of training for staff was five days per person per year. Leadership courses conducted by internal staff included Be Proactive, 7 Habits, Systematic Problem Solving and Decision Making, Coaching for High Performance, etc. Courses aimed at increasing work skill were also offered, including Credit Training, Product Knowledge, Work System, Standard Operating Procedures, etc. Moreover, the Bank has provided scholarship to employees to pursue study in MBA and promoted cross-board learning within CIMB Group by sending its employees to undertake training courses offshore such as Group Orientation, Middle Management Development Plan, etc.

Staff Health and Safety Information

Proportion of average leave days of staff classified by type	2015 %	2014 %
Sick leave	30.76	31.37
Work related injury and sick leave	0.0	0.0
Others	69.24	68.63
No. of average sick leave days (days/person)	2.71	2.50
Work related accident death (persons)	0	0

9. Corporate Governance

9.1 Corporate Governance Policy

CIMB Thai firmly believes that its ongoing commitment and efforts in ensuring a strong corporate governance structure and culture across the organisation will help it deliver value to all its stakeholders. Hence, the Bank has strived to have good corporate governance practices put in place and the highest standards of business integrity applied to all its activities.

Corporate Governance Principles

The Bank has developed processes for identifying, assessing and managing the significant risks and uncertainties facing the Bank. Internal control processes are established to ensure efficiency and effectiveness of business operations and controls in all areas including finance and operations, as well as compliance with relevant laws and regulations. The Internal Audit Department and the Compliance Department have been tasked to provide oversight and support to ensure that individual business units conduct their business and affairs in a manner that drives forward the Bank's strategic objectives, while complying with applicable laws and regulatory requirements. A strong focus is placed on educating and increasing awareness among directors, executive officers and employees on the Bank's codes of conduct, the relevant laws and regulatory requirements as well as disciplinary procedures.

The Bank's corporate governance policy, which contains guidelines for directors, executive officers, and employees, was formulated in February 2005. With adherence to this policy in its operations, the Bank aims to build trust and confidence among investors and stakeholders, hence improving its competitiveness, enhancing value and promoting stability in the long run. The policy was updated in January 2011 and January 2014 in order to comply with the good governance principles and relevant regulatory requirements. Details of the Bank's corporate governance policy are available on its website: www.cimbthai.com.

Corporate Governance

1. Rights of Shareholders

The Bank has recognised the rights of all shareholders and encouraged them to exercise their basic rights on an equitable basis, as well as proactively communicated with them regularly. Such rights include the rights to sell, purchase or transfer shares, access Bank information, ensure fair distribution of profit, attend meetings to cast votes, express opinions and comments, and decide on important matters including appointment of directors and auditor, allocation of profit, dividend payment, increase or decrease of capital, and approval of any special items, etc.

The Bank is required to hold its annual general meeting of shareholders (AGM) within four months from the fiscal year end. Meetings of shareholders other than general meetings are called extraordinary meetings, which can be convened by the Board at any time it deems fit. The 2015 AGM was held on 10 April 2015.

Before the AGM, from 1 October 2014 to 31 December 2014, shareholders were invited to propose matters for inclusion in the meeting agenda and propose names of qualified candidates for election as directors of the Bank in accordance with the Bank's rules and criteria. For the 2015 AGM, no agenda items and no director nominations were proposed by the shareholders.

To convene the 2015 AGM, the Bank sent an invitation notice in which each agenda item was clearly identified whether it was for acknowledgement or consideration, together with background, rationale, and recommendations of the Board, as well as supporting documents which comprised criteria of meeting attendance and voting, proxy grants by shareholders, and the 2014 annual report in hard copy. The Bank has assigned Thailand Securities Depository, the Bank's share registrar, to send the notice to shareholders for consideration 14 days before the meeting. This allowed shareholders to have time to study information beforehand. The Bank also published the notice and other supporting documents on its website 14 days before the meeting. The notice was also made available to public via the disclosure channel of the Stock Exchange of Thailand (SET). Furthermore, in accordance with

regulatory requirements, the notice was published in newspapers for three consecutive days at least three days before the meeting. On the day of the AGM, various measures were taken to facilitate participation by the shareholders or proxy holders, including assigning staff to verify their related credentials to preserve their rights and ensure equitable treatment is offered to all shareholders. Registration of attendees was conducted through a bar code system with separate voting slips provided for each agenda item.

The shareholders and proxy holders had the opportunity to register at least two hours before the meeting began. Also, during the meeting, the shareholders could register their attendance to exercise their voting rights for any agenda item for which resolutions had not yet been passed. The Bank prepared proxy forms and details on proxy granting for shareholders who have appointed proxies to attend the meeting on their behalf. The proxy form and details on proxy granting were submitted together with the invitation notice to all shareholders. The Bank also provided an additional option to shareholders by providing the names and backgrounds of independent directors whom shareholders could consider for their proxy appointment. At the 2015 AGM, one shareholder appointed the member of the Audit Committee who is independent director to attend the AGM and vote on the shareholder's behalf.

At the 2015 AGM, 88.89% of the Board and Board Committee members and 591 shareholders and proxies attended the meeting, with total shares held of 19,792,420,580 shares representing 93.87% of the total issued shares. Before the meeting began, The Chairman had assigned the Company Secretary to give an explanation regarding voting rights and procedures to the attendees. The Chairman had assigned the Vice Chairman to run the meeting in order to assure that the shareholders would have equal opportunity to ask questions, raise any issues or make recommendations without language restriction. In addition, the Bank gave multimedia presentation of the proposed information for the meeting and provided simultaneous English translation for foreign shareholders. At the meeting, members of the Board and relevant executive officers answered or clarified related issues clearly and comprehensively. Issues raised and recommendations given were recorded in the meeting minutes. Voting was conducted in an open and transparent manner whereby vote casting for each agenda item followed the order specified in the notice and no modifications were made to the original agenda. Voting results on each agenda item were tallied through the bar code system and ballots of shareholders who disagreed and abstained from voting were kept. After the meeting, the minutes of the meeting were prepared in an accurate and comprehensive manner, including a summary of issues raised and clarifications or views provided as well as detailed votes for each agenda item which showed the number of votes cast for and against the motion, etc. The minutes of the 2015 AGM were submitted to the relevant supervisory authorities within 14 days from the meeting date as prescribed by law, and posted on the Bank's website, www.cimbthai.com, for shareholders' reference.

2. Equitable Treatment of Shareholders

The Bank recognises the importance of fair treatment of all shareholders including its duty on protection of shareholders' interests. Measures are in place to prevent the use of internal information for personal gains by the Board members, executives and employees. The Board has set a policy and procedure to prohibit unauthorised disclosure of material, non-public information which may affect the Bank's securities. Such policy and procedure require members of the Board, executives and employees, including spouses and underaged children thereof, to refrain from using information that has become privately known to them for purchase, sale, transfer or receipt of transfer of securities of the Bank during a one-month period before such information goes to public. Moreover, members of the Board and executives from levels of senior executive vice-president or the equivalents upward, and those holding executive positions or department heads or the equivalents upward in the accounting or finance function line are duty-bound to report every of their sale or purchase of securities of the Bank and any change of the holding thereof, to the Office of the Securities and Exchange Commission (SEC), and keep copies of such reports at the Office of the President as evidence. In addition, to ensure an efficient and transparent management, the Bank has formulated codes of conduct and guidelines for the Board, executives and employees on the use of internal information and operation guidelines with avoidance of conflicts of interest.

3. Role of Stakeholders

The Bank places great importance to the rights of all its stakeholders including directors, executive officers, employees, shareholders, clients, business partners, creditors and the relevant authorities.

CIMB Thai Codes of Conduct

1. Clients

The Bank takes its commitment seriously to provide clients with high-quality products and services while safeguarding their interests and treating them fairly in all aspects of their dealings with the Bank. To pursue with this objective, it set up CIMB Thai Care Centre to efficiently handle client complaints and queries. The centre maintains a database of client complaints and classifies them by source and type. A report is prepared and forwarded to the Office of the President, the Internal Audit Department, the Compliance Department and other relevant units, to jointly resolve any complaints in an effective, fair, coordinated and timely manner. Client confidentiality is strictly observed at all times unless the disclosure is required by law or authorised in writing by the client.

2. Shareholders

The Bank recognises the critical importance of ensuring work systems and processes are in place to provide assurance of effective and efficient operations, internal controls and compliance with laws and regulations. Business conduct and ethics policies are implemented and employees are bound by these policies. The Bank focuses on creating and delivering sustainable shareholder value, protection of assets and providing all shareholders with fair treatment whilst allowing them to exercise their rights fully and fairly in an informed manner except when they have material interests in the matter considered at the shareholders' meeting. In such case, the shareholders concerned are required to abstain from voting thereon, but they are eligible to participate in the election of directors.

3. Employees

The Bank believes in fair treatment accorded to all employees, and is fully committed to enhancing the quality of its human capital. In this context, it consistently offers training and support, including opportunities to enhance performance and career development options. Such efforts will help build sustainable growth and serve expansion plans in the increasingly competitive markets.

4. Creditors and Business Partners

The Bank is committed to maintaining high standards of business conduct in compliance with all applicable laws and regulations. It conducts business with its creditors and business partners fairly and in compliance with the relevant laws and regulations.

5. Competitors

The Bank recognises the importance of a fair and competitive business environment. It is committed to conducting business in a fair and confidential manner posing no impairment to the reputation of its competitors and upholding best ethical and legal practices among its employees.

6. Responsibility towards the Community and the Environment

The Bank recognises its ability to make positive impacts on the community and the environment. It is actively involved in a range of charitable activities, including robe offerings, blood donation drives and fund-raising to help monks, underprivileged children and local community at large. Details of the Bank's activities are available on Corporate Social Responsibility section.

4. Disclosure and Transparency

The Bank places great importance to ensuring that accurate, timely and clear information, both in English and Thai, is communicated to the shareholders and other concerned parties across a variety of media channels, including those provided by the SET and the Bank's website. In addition, as

required by regulatory criteria, the Bank discloses relevant information in such annual reports as Forms 56-1 and 56-2. Various projects have been launched and activities held to boost investor confidence in the Thai capital market. Communication of clear and accurate information on the Bank's activities has been made to regulatory bodies, investors, shareholders, analysts and the general public. These initiatives include:

- Investor Relations (IR) and Office of the President to take charge of disseminating the Bank's information and maintaining good communications with investors, securities analysts, media and other interested persons. Reports on financial results and material transactions are made in an accurate, fair, and transparent manner and in compliance with the applicable laws and regulatory requirements.

In 2015, the Bank organised IR activities to provide information both directly and indirectly as follows:

1. Welcome of altogether 16 investors and analysts to meet with management team for inquiry on operating results, altogether 7 meetings.
 2. Press release issued whenever the Bank had significant investment or business activities.
 3. Availability of channels for inquiries via email at ir@cimbthai.com, phone at +662-638-8287, or website at http://www.cimbthai.com/CIMB/investor_relations/
- Dissemination of information to the general public via the media when financial results and business directions are to be announced to interested parties. This allows local and foreign investors and analysts to keep abreast of the Bank's performance and growth.

5. Responsibilities of the Board

A. Board Structure

Members of the Board comprise professionals with diversified backgrounds in finance, banking, business management, marketing, legal, auditing, accounting and government affairs. At present, there are eight Board members.

Election of Board members follows the resolution of shareholders' meetings and as set out in the Bank's Articles of Association. The number of directors on the Board shall not be fewer than 5 and not more than 12. The structure of the Board of Directors and the setup of Board Committees are as prescribed by the Bank of Thailand (BOT)'s notification regarding corporate governance of financial institutions and the Capital Market Supervisory Board's notification regarding application and permission for initial public offering and other amendments. The Board composition is as follows:

- 2 executive directors
- 3 non-executive directors
- 3 independent directors (*accounting for 37.5% of the entire Board*)

The three independent directors who concurrently serve on the Audit Committee must satisfy the criteria based on the good corporate governance principles.

The Board appoints one of its directors to be the Chairman. The President is not eligible to be appointed as the Chairman. In the interest of good governance, the roles of the Chairman and the President stay separate, with each of them having clearly defined responsibilities. A clear division of responsibilities helps ensure that no single individual has unfettered decision-making power and enables the Chairman to give objective views on the decisions made by management.

Each director's term of office is prescribed in the Articles of Association. At every annual general meeting, one-third of the directors shall retire. In any subsequent years, the directors who have been in office the longest shall retire. The retiring director may be re-elected.

The Bank has incorporated a policy on directors holding positions in other companies into its corporate governance principles in line with the corporate governance guidelines of relevant regulators, e.g. the BOT and the SET, details of which are as follows:

- Directors, managers and persons with managing authority of the Bank can take one or several positions of chairman, executive director, or authorised director in other companies subject to a maximum of three business groups.
- Directors should hold directorship in not more than five listed companies.

The Board has appointed Mr. Thaphop Kleesuwan as Company Secretary and Secretary to the Board of Directors to assist the Board in fulfilling its tasks. His duties include providing legal advice and ensuring Board activities comply with applicable laws and regulations in line with corporate governance principles, as follows:

- Providing preliminary advice and recommendations pertaining to legal, regulatory and governance issues and practices to the Board.
- Arranging Board and shareholder meetings in accordance with the laws and the Bank's Articles of Association, preparing minutes of these meetings and monitoring compliance with the resolutions passed at those meetings.
- Ensuring that corporate information disclosures to regulatory agencies are in accordance with laws and regulations.
- Communicating with shareholders on their legal rights and material Bank information.
- Maintaining the register of directors, minutes of Board meetings, invitation notices and minutes of shareholder meetings, reports of beneficial interests of directors and executives, and other tasks as required by relevant laws.

B. Board Committees

The Board has established Board committees comprising Audit Committee, Nomination, Remuneration and Corporate Governance Committee, Risk Management Committee, Management Committee and others, to assist in screening and scrutinising specific operations and support the performance of duties of the Board to ensure efficiency and effectiveness and maintain a good corporate governance system.

C. Roles, Duties and Responsibilities of the Board

1. Leadership and Vision

The Board consists of individuals from diverse professional backgrounds with a broad spectrum of experience and expertise as well as business ethics. The roles and responsibilities of the Board, including the appointment and removal of directors, are set out in the Bank's corporate governance guidelines and Articles of Association. The Board is committed to maintaining the highest standards of corporate governance and has good understanding of the Bank's business. It is responsible for ensuring independent oversight of internal controls and risk management while providing an objective assessment of management in the execution of the Bank's policies and strategies.

2. Ethics and Conflict of Interests

The Bank has formulated code of conduct in its corporate governance guidelines which the Board, management, and all employees must comply with when interacting with the customers, shareholders, employees, business partners or creditors. Emphasis is also placed on responsibilities for the environment, society and competitors, preservation of client confidentiality, honesty, fairness, professional integrity, business capacities, strict compliance with laws and regulations, as well as cooperation with regulatory agencies. In performing their duties, employees are required to keep uppermost in their mind the principles of good corporate governance, use good judgment, and act in compliance with rules and regulations. Alleged breaches of code of conduct are investigated in accordance with the procedures set out, and disciplinary penalty is imposed if someone is found guilty. Details of the Bank's code of conduct are available on www.cimbthai.com.

The Bank has communicated to all staff guidelines for compliance with code of conduct and corporate governance policy by making such information available online through the learning management system (LMS) and having them sign in acknowledgment thereof.

The Bank has in place policies to prevent conflicts of interest, connected transactions or related-party transactions. These include:

- Policy for consideration of the granting of credits and investments to, and undertaking contingent liabilities or other credit-like transactions with, the Bank's major shareholders or businesses with beneficial interest to directors or persons with managing authority of the Bank, which must adhere to the ratio stipulated by the BOT. Any such grant must be approved unanimously by the Board, and no director or person with managing authority who benefits from the granting of credits and investments, and the undertaking of contingent liabilities or other credit-like transactions can take part in the decision-making process.
- Policy for undertaking major transactions. Major transactions include an agreement to undertake connected transactions and/or an agreement to undertake transactions to acquire or dispose of core assets and/or rights to acquire or dispose of the Bank's core assets. The Bank must comply with requirements of regulatory agencies.

When considering related party transactions, if the transactions are related to major shareholders, directors, senior executive vice presidents or those holding the equivalent positions thereto, and executives in the Finance Group, and other related parties pursuant to the SEC criteria, the Board and management members must:

- 1) ensure that the transaction is legitimate, that is, it is reasonable, and is in the best interest of the Bank, including ensuring that the terms and conditions are not different from similar transactions made with unrelated parties; and
- 2) ascertain that the procedures for considering and approving any such transaction are fair, transparent, and verifiable, and that sufficient information on such transaction is disclosed to investors.

Connected transactions are subject to approval by the Board. Persons who review or recommend a transaction for approval must have no interests therein. Directors with material interests therein are not allowed to attend the meeting and vote thereon. The Bank may request additional opinion from an independent financial advisor if the transaction has to go to the shareholders' meeting.

D. Board Meetings

Board meetings are scheduled in advance for the entire year, with at least one held every quarter. In addition to the scheduled Board meetings, further Board meetings can also be held as and when they are required. The Board Secretary is responsible for providing all directors with the agenda, supporting papers and relevant information for each meeting seven days before the meeting, to give the directors advance notice of the business to be transacted. The Board Secretary is also responsible for taking the minutes of each meeting and preparing the minutes of the meeting, which is adopted by the Board and filed. In 2015, the Bank held 12 Board meetings (details as disclosed under "Meeting Attendance of Directors").

E. Board Performance Review

The Bank has conducted annual evaluation of the Board/Board-committee performance to allow Board/Board committee members to make a joint review of their performance, raise concerned problems and obstacles, and give observations and recommendations for increased operational efficiency. The evaluation form is divided into: a) self-assessment of Board/Board committee as a whole, comprising six sections: 1) structure and qualifications of the Board/Board committee members, 2) roles, duties and responsibilities of the Board/Board committee, 3) Board/Board committee meetings, 4) Board/Board committee's performance of duties, 5) relationship with the management, and 6) self-development of the Board/Board committee members and executive officers, and b) self-assessment on an individual basis, comprising three sections: 1) structure and qualifications of the Board/Board committee members, 2) Board/Board committee meetings, and 3) roles, duties and responsibilities of the Board/Board committee. The evaluation results will be compiled and concluded by the Board Secretary before presenting to the Chairman of the Board/Board committee for review to ensure compliance of the practices with the Board/Board committee Charter.

Moreover, the Bank has made annual evaluation of President and Chief Executive Officer performance, taking into consideration the key performance indicators determined based on the Bank's strategies and targets each year. The evaluation results will be compiled and concluded by the Board Secretary before presenting to the Chairman of the Board.

F. Remuneration of Directors and Senior Executives

The Bank discloses information on the remuneration of its directors and senior executives in compliance with the Public Limited Companies Act and the requirements of the supervisory and regulatory bodies. The Board aims to ensure that the Bank maintains competitive policies on remuneration in accordance with the following guidelines:

• Remuneration of Directors

The Bank's Articles of Association set out broad policies and practices to allow flexibility in determining directors' remuneration based on excellence in business and personal performance as well as the prevailing market conditions. The remuneration packages for directors, as approved by the meeting of shareholders, comprise meeting allowance, pension, bonus and other benefits. In this respect, the shareholders' meetings shall have remuneration determined either in specific amount or as per general guidelines, and either set from time to time or set to take effect until any change thereafter. Employees who also serve on the Board are still entitled to receive salary and remuneration in their capacity as staff or employees of the Bank.

The Board is responsible for proposing the remuneration packages for directors at the meeting of shareholders. Such remuneration shall commensurate with long-term value and returns to be delivered by them to the Bank and the shareholders, and shall also be in line with that in the industry.

The 2015 annual general meeting of shareholders no. 21 held on 10 April 2015 passed a resolution approving the remuneration for the Board and Board Committee members for 2015, as detailed below:

1. Meeting and entertainment allowances for Board members:

• Meeting allowance:

Chairman of the Board	THB	130,000	per month
Vice Chairman	THB	88,000	per month
Director	THB	44,000	per month

• Entertainment allowance:

Chairman of the Board	THB	70,000	per month
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Directors are responsible for paying their own income tax.

2. Remuneration for Board Committee members as appointed by the Board shall be paid in form of additional meeting allowances on a monthly basis as below:

Chairman of Audit Committee	THB	72,000	per month
Chairman/Chairperson of Committee	THB	52,000	per month
Member	THB	40,000	per month

Directors are responsible for paying their own income tax.

- Directors who are required to serve on other Board committees are entitled to receive additional fees based on the increase in responsibilities, as the Board sees fit.
- The Board has access to independent expert advice where needed, including determination of appropriate remuneration.
- The Board is duty-bound to disclose information on remuneration packages in compliance with the Public Limited Companies Act and relevant regulatory requirements.

G. Executive Development Programme

The Bank encourages all directors to participate regularly in the executive development programme, which is designed to familiarise the directors with the Bank's businesses, while providing them with an insight into their roles and responsibilities as Board members, and assisting them in developing visionary thinking. So far, the directors have participated in two programmes organised by the Thai Institute of Directors (IOD), namely the Director Certification Programme (DCP) and Director Accreditation Programme (DAP). Details on the directors' IOD training programmes are in the directors' profiles.

In 2015, there was one new director elected by the shareholders' meeting. The new director undergoes an in-house induction programme to provide him with an overview of the Bank and its business plans. He also receives an information pack that explains the Bank's corporate governance policies and practices, and the roles and responsibilities of directors and of the Board as a whole, including the various laws and regulations he needs to know.

H. Succession Plan

The Bank is fully aware of the necessity to operate its business efficiently and continuously. Thus, Human Resources Management Division has been tasked with formulating a succession plan to ensure that the Bank has identified executives or talents as successors and an appropriate training and development plan to up-skill each individual to be ready to replace key positions with immediate effect or within the specified timeframe. The significant process requiring approval by the Nomination, Remuneration and Corporate Governance Committee and the Board of Directors is as follows:

1. Identify key positions in each Group/Division
2. Identify successor's required qualifications/core competencies
3. Identify qualified managerial personnel/executives individually as appropriate successors to replace key positions with immediate effect or within one year
4. Identify qualified managerial personnel/executives individually as appropriate successors to replace key positions within a period more than one year
5. Identify talents in key areas as high potential resources to be successors within the respective timeframe
6. Provide training and development plan for the identified staff to up-skill and bridge any gaps
7. Review and complete annual succession plan for approval by the Nomination, Remuneration and Corporate Governance Committee and the Board of Directors

9.2 Board Committees

The Bank has various board committees as follows:

a. Board of Directors

1. Non-executive director

Means a director who does not hold any position in the Bank other than a member of the Board. A non-executive director may or may not be an independent director.

2. Executive director

Means a director who holds an executive position, or a director who is in charge of any action deemed to be taken by an executive, and shall include any authorised director.

3. Director who is delegated authorised signatory

Means one or several director(s) authorised by the Board to execute contracts or other written instruments on behalf of the Bank.

4. Independent director

Means a director who does not have any related business, hold any managerial position or have any beneficial interest in financial institutions that may affect his/her independent decision. An independent director of a public listed company is also required to comply with the provisions in the Capital Market Supervisory Board Notification No. ThorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares as follows:

- (a) Hold shares not exceeding one per cent of the total number of shares with voting rights of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, including shares held by related persons of such independent director;
- (b) Neither be nor have been an executive director, employee, staff, advisor who receives a salary, or controlling person of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing the application with the Office. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government agency which is a major shareholder or controlling person of the Bank;
- (c) Not be a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of a child, of executive, major shareholder, controlling person, or a person nominated as an executive or controlling person of the Bank or its subsidiary company;
- (d) Neither have nor have had a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, in the manner which may interfere with his/her independent judgment, and neither be nor have been a significant shareholder or controlling person of any person having a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the Office.

The term 'business relationship' under the first paragraph shall include any normal business transaction for business operation, rent or lease of immovable property, transaction relating to assets or services, or granting or receipt of financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar action, which result in the Bank or the counterparty being subject to indebtedness to the other party in the amount of three percent or more of the net tangible assets of the Bank or THB 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated by the valuation method applicable to connected transactions pursuant to the Capital Market Supervisory Board Notification regarding criteria on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurring during the period of one year prior to the date on which the business relationship with the person commences;

- (e) Neither be nor have been an auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person, or partner of an audit firm which employs the auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the Office;
- (f) Neither be nor have been a provider of any professional services including those as legal advisor or financial advisor who receives service fee exceeding THB 2 million per year from the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the Office;
- (g) Not be a director appointed as representative of directors of the Bank, major shareholder or shareholder who is related to the major shareholder;
- (h) Not undertake any business in the same nature as and in material competition with the business of the Bank or its subsidiary company, or not be a significant partner in a partnership, or not be a director involved in management, employee, staff, advisor who receives a salary or holds shares exceeding one percent of the total number of shares with voting rights of another company which undertakes business in the same nature as and in material competition with the business of the Bank or its subsidiary company;

- (i) Have no other characteristics which would disable expression of independent opinions on the Bank's business operations.

Upon appointment as independent director with qualifications as stated from (a) to (i) in the first paragraph, the independent director may be assigned by the Board to take part in the business decisions of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person of the Bank, on a collective decision basis.

B. Powers of Board of Directors

1. Appoint and remove regular and temporary employees, determine payment of bonus and compensation to regular and temporary employees or any person doing business for the Bank, and declare dividend payment to shareholders.
2. Establish Board committees as deemed necessary to assist the Board in overseeing the Bank's business affairs, and determine remuneration for committee members as appropriate.
3. Appoint any person as advisor to the Board to give opinion on the Bank's business affairs, and determine remuneration as appropriate.
4. Delegate authority to any one or more director(s) or other person(s) to perform any duty on behalf of the Board.
5. At the Board meeting, each director shall have one vote. Director with beneficial interests in any matter shall not be entitled to vote on that matter. In the event of a vote tie, the Chairman of the meeting shall have the casting vote.

C. Duties and Responsibilities of Board of Directors

Basic responsibility of the Board is to exercise judgment on the business operations in a manner that they reasonably believe to be in the best interests of the Bank and in compliance with the applicable laws and regulatory rules, the Bank's Articles of Association, and resolutions of the shareholders' meetings, as detailed below:

1. Set vision, targets, policies, strategies, administration, utilisation of resources, and business standards and framework of the Bank; and monitor and supervise the Bank's business operations to ensure efficient and effective discharge of functions in accordance with the policies set forth.
2. Select individuals qualified for directorship and make recommendation thereof to the shareholders' meeting for election as directors, as well as encourage the shareholders to nominate candidates for election as directors.
3. Select qualified individuals from diverse professional backgrounds and with a broad spectrum of experience and expertise for appointment to executive management positions.
4. Review and approve budgets proposed by executive management under joint consideration with executive management.
5. Delegate authority for day-to-day management to executives based on agreed objectives and targets, except when the matter is of high significance and not in normal course of business of the Bank and hence warrants the Board's attention, such as change in the Bank's capital structure, investment in other business, business merger, disposal of assets and capital expenditure; or in case where the Board's ratification is required, including the matter with conflict of interest, and an approval by the shareholders' meeting has to be sought; the Board is duty-bound to give opinion to the shareholders on such matter.
6. Determine the issues to be brought to its attention by executive management.
7. Set measures for executive management to communicate and ensure there is communication of operational targets and policies to Bank staff at all levels.
8. Monitor and supervise executive management's business operations to ensure compliance with relevant laws and regulations as well as contractual terms and conditions.
9. Monitor and ensure that the Bank has in place efficient and effective risk management system.
10. Monitor and ensure that the Bank has in place adequate, proper and effective internal control system for the benefit of the Bank; formulate and implement a clear procedure to cope with conflict of interest; put in place policies and processes preventing executive management and other concerned parties from using confidential inside information for personal gains; and assess and review the adequacy of the Bank's internal controls every year-end.
11. Ensure that all stakeholders are treated fairly.

12. Assume responsibility for the financial statements of the Bank and its subsidiary companies and in that process, ensure that the notes to the financial statements contain all important disclosures; and supervise to ensure that processes are in place for implementing a sound accounting system and proper accounting records are kept for future references.
13. Ensure that processes are in place for reporting of operating results in comparison with the targets and the problems arisen so that the Board can monitor, improve and rectify the plans and strategies as appropriate.
14. Establish procedures for evaluating the performance of senior executives to determine the appropriate levels of remuneration, taking into account risks and responsibilities involved as well as added value to shareholders in the long run.
15. Review the pay structure and criteria for authorising bonuses, incentives and benefits for regular and temporary staff or any person doing business for the Bank, regardless of whether on a regular basis or not, as recommended by executive management.
16. Appoint any person as advisor to the Board, or seek professional advice from an external advisor, to give opinion and suggestion on the Bank's business affairs at the expense of the Bank; and determine the remuneration for whom as deemed appropriate.
17. Appoint Board committees as necessary to assist the Board in overseeing the Bank's business affairs in the areas assigned, and determine the remuneration for whom as deemed appropriate. Board committees may, at the Bank's expense, engage independent experts to give additional advice and also have regular staff available to assist in data compilation and coordination to support the Board committees' discharge of duties.
18. Ensure that adequate, accurate and reliable information is disclosed in a timely manner.
19. Appoint Board secretary to assist the Board in managing its business affairs and ensure compliance with the relevant laws, rules and regulations.
20. Put in place corporate governance principles and business ethics, Board and Board committee charters, and human resource management policies.
21. Ensure there are relevant and effective operational controls, monitoring and guidelines available in all work units across the organisation.
22. Conduct self-assessment every year.

The Board shall under no undue influence make independent decisions, or objections in case of disagreement or conflict of interests, and make approvals of matters or recommendation to the shareholders' meeting for approvals as appropriate, based on the following principles:

Sufficiency:

- To act in the best interests of the Bank;
- To exercise sound and prudent judgment; and
- To decide dispassionately without consideration of personal gains.

Prudence:

- To act with due care taking all steps in the manner a director should take under similar circumstance;
- To make informed decisions; and
- To act with reasonable grounds that information is reliable and correct.

Integrity:

- To act in good faith;
- To make decisions free of possible or appearance of conflict of interest; and
- Not to make use of the Bank's information and opportunities for personal or other persons' gains.

D. Selection, Appointment and Removal of Directors

The Board of Directors shall be elected by the shareholders. The Bank has put in place director nomination procedures that are transparent and open for inspection. The Board shall accordingly appoint Nomination, Remuneration and Corporate Governance Committee to take charge of selecting and nominating qualified persons who have no disqualifications according to the law for appointment as directors by recommending them through the Board before submitting to the meeting of the shareholders for approval and appointment. This process shall comply with the rules and procedures on appointment and removal of directors as specified in the Bank's Articles of Association as follows:

- a. According to the shareholders' resolution, the Board of Directors shall comprise no fewer than 5 and no more than 12 members, with at least half the board members having domicile in Thailand.

- b. Article 16 of the Bank's Articles of Association provides for the following voting procedure:
- (1) Each shareholder shall have the number of votes equal to the number of shares held. One share is entitled to one vote;
 - (2) Votes shall be cast for either an individual or several directors in the number required to be elected at the respective meeting and as deemed appropriate by the meeting. In the election of either an individual or several directors, each elected person shall receive votes from each shareholder in the full amount of shares held by that shareholder pursuant to (1). The shareholder shall not allot his/her votes to any person in any number; and
 - (3) After the voting, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order in the number required in the election. Where the votes cast for candidates in the descending order are tied, and would otherwise cause the number of directors to exceed the number required to be elected at the respective meeting, the remaining appointments shall be made by drawing lots in the procedure to be determined by the Chairman of the meeting.
4. At every annual general meeting, one-third of the directors shall retire. In any subsequent years, the directors who have been in office the longest shall retire.
 5. Whenever any person vacates his/her seat as a Board member for any reason other than expiry of term of office, the remaining members shall at the next Board meeting appoint another qualified and suitable director to fill that position for the remainder of the term of office of his/her predecessor except in the event that the vacant position has fewer than two months left in the term. The motion shall require the majority consent of at least 75% of the remaining members of the Board.

In addition, pursuant to the Financial Institution Business Act B.E. 2551 (2008), the Bank of Thailand (BOT) is empowered to issue an order requiring a commercial bank to remove from office any director or any person in charge of business operation that has caused serious harm to the society at large, or has failed to comply with the directives prescribed by the BOT. In this respect, the Bank is obliged to select a suitable replacement subject to approval by the BOT. The decision taken by the BOT to appoint or remove any director is conclusive.

Board of Directors

As of 31 January 2016, the Board of Directors was composed of the following eight directors:

	Name	Position
1.	Dato' Robert Cheim Dau Meng	Chairman / Member and Alternate Chairman of Nomination, Remuneration and Corporate Governance Committee
2.	Mr. Sukont Kanjana-Huttakit	Vice Chairman / Independent Director / Chairman of Audit Committee
3.	Mrs. Watanan Petersik	Independent Director / Member of Audit Committee / Chairperson of Nomination, Remuneration and Corporate Governance Committee
4.	Dato' Shaarani Bin Ibrahim	Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee
5.	Mr. Chitrapongse Kwangsukstith	Director / Member and Alternate Chairman of Board Risk Committee
6.	Ms. Serena Tan Mei Shwen	Director / Member of Board Risk Committee
7.	Dato' Lee Kok Kwan ^{/1}	Director / Chairman of Board Risk Committee
8.	Mr. Subhak Siwaraksa	President and Chief Executive Officer

Note

/1 The Board meeting, held on 27 November 2015, resolved to appoint Dato' Lee Kok Kwan as a director in place of Mr. Kenny Kim who had resigned.

* The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as an independent director and Audit Committee member, effective from 1 January 2016.

Directors Nominated by Major Shareholder

CIMB Bank Berhad (CIMB Bank) has appointed three representatives to the Board, namely Dato' Robert Cheim Dau Meng, Dato' Lee Kok Kwan and Ms. Serena Tan Mei Shwen.

Authorised Signatories

The directors who are authorised signatories of the Bank are Mr. Subhak Siwaraksa and Mr. Chitrapongse Kwangsukstith, with both of whom to jointly sign and affix the Bank seal.

E. Board Committees (as of 31 January 2016)

The Board has appointed the following principal committees to assist it in overseeing and ensuring the Bank's business operations with prudence and efficiency:

1. Audit Committee
2. Nomination, Remuneration and Corporate Governance Committee
3. Board Risk Committee
4. Shariah Sub-Committee
5. Management Committee
6. Risk Management Committee
7. Credit Risk Committee
8. Credit Committee Level 2
9. Retail Business Committee
10. Assets and Liabilities Management Committee
11. IT Strategic Planning Committee
12. Market Risk Committee Thailand
13. Marketing and Communications Committee
14. Product Development Committee
15. Credit Committee Level 3
16. Problem Loan Management Working Group

1. Audit Committee

The Audit Committee (AC) is composed of:

1.	Mr. Sukont Kanjana-Huttakit	Independent Director	Chairman
2.	Dato' Shaarani Bin Ibrahim	Independent Director	Member
3.	Mrs. Watanan Petersik ^{/1}	Independent Director	Member
4.	Ms. Siriporn Sanunpairaue	Senior Executive Vice President Internal Audit Division	Secretary for Internal Audit function
5.	Mr. Thaphop Kleesuwan	Executive Vice President Compliance Department	Secretary for Compliance function

Note ^{/1} The Board meeting, held on 22 January 2016, resolved to appoint Mrs. Watanan Petersik as Member of Audit Committee in place of Ms. Sopawadee Lertmanaschai who had resigned.

Powers, Duties and Responsibilities:

1. Assist the Board in discharging its statutory duties and responsibilities relating to accounting, reporting practices and corporate governance.
The AC shall review the effectiveness of internal controls, risk management processes and governance practices, taking into account the requirements of relevant BOT guidelines and SEC's and SET's listing requirements.
2. Review the effectiveness of Internal Audit Division.
3. Recommend to the Board and shareholders the appointment of external auditors, including the appropriate remuneration as well as review the effectiveness of external auditors.
4. Review the effectiveness of Compliance function and monitor Compliance Department work to ensure compliance with relevant regulations.
5. Review the findings and compliance issues identified by regulators and to ensure that appropriate and prompt remedial actions are taken by management.

6. Review the correctness and adequacy of financial statements for submission to the Board of the relevant entities within the CIMB Thai Group.
 7. Review all related party transactions submitted by management that may arise within the CIMB Thai Group and keep the Board informed of such transactions.
 8. Report to the Board any corrective action or improvement required should the AC have concerns over conflict of interest activities, fraud, irregularities, significant internal control weakness, or violation to the relevant regulations. If the Board or management does not take appropriate action within the timeframe determined by the AC, any member of the AC has to report such activity to the SEC or the SET.
 9. Report all activities of the AC in the Bank's annual report, which must be signed by the AC Chairman. The report must contain minimum information as stipulated in the SET regulations.
 10. Clearly document the scope, roles and responsibilities of the advisory service from external expert to AC or appointment of management to perform duty on behalf of AC, if any.
 11. Approve, revise and conduct annual reviews of the Bank's internal policies related to compliance, which are not required by regulatory bodies to obtain the Board of Directors' approval.
 12. Approve Annual Compliance Report as required by regulators.
 13. Approve Internal Audit Division and Compliance Unit Charter.
 14. Perform any other duties as specified in Audit Committee Charter.
 15. Perform any other assignments delegated to it by the Board.
- Scope: CIMB Thai Bank Group-wide

2. Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee is composed of:

- | | | |
|--------------------------------|-------------------------------------|----------------------------------|
| 1. Mrs. Watanan Petersik | Independent Director | Chairperson |
| 2. Dato' Robert Cheim Dau Meng | Chairman | Member and Alternate Chairperson |
| 3. Dato' Shaarani Bin Ibrahim | Independent Director | Member |
| 4. Mrs. Kanokpai Vongsatitporn | Executive Vice President | Secretary |
| | Human Resources Management Division | |

Powers, Duties and Responsibilities:

1. Nomination:
 - Formulate policy, criteria and method for proposing candidates for directors or persons with management authority (Executive Vice President or above) to the Board for consideration and appointment, and submit the policy to the Bank of Thailand upon request.
 - Nominate qualified candidates for the following positions to the Board of Directors for approval:
 - a) Director,
 - b) Director appointed to sit on Board committee, and
 - c) Managerial position of Executive Vice President and above.
 - Ensure that the size and composition of the Board is appropriate for the organisation and is adjustable to suit the changing business environment. Board members shall possess appropriate expertise and experience.
 - Disclose the nomination policy and procedures in the Bank's annual report.
 - Consider the appointment and fixing of remuneration of directors of the Bank's subsidiaries and recommend them to the board of directors of the subsidiaries for approval.
2. Remuneration:
 - Recommend remuneration and benefit policy as well as amount of remuneration and benefits for the Board members and persons with managerial authority (Executive Vice President and above) with clear and transparent criteria for consideration and approval by the Board; and have such policy submitted to the Bank of Thailand upon request (remuneration and benefit policy should cover all aspects of remuneration including director's fees, salaries, allowances, bonuses, options and benefits-in-kind).
 - Ensure that remuneration for the Board members and persons with managerial authority (Executive Vice President and above) is commensurate with their duties and responsibilities. Board members who take on extra assignments should be compensated accordingly.
 - Set performance assessment criteria for Board members and persons with managerial authority (Executive Vice President and above) for annual remuneration review, taking into account their responsibilities and risks as well as enhancement of long-term shareholder value.

- Disclose the remuneration policy, actual payment thereof in various forms, and NRC's report that at least covers the objectives, activities and opinion of the NRC in the Bank's annual report.
 - Review the remuneration schemes for employees of the Bank in line with the industry practices and remuneration framework of CIMB Group.
 - Consider and recommend to the Board for approval the annual salary adjustment and bonus framework for CIMB Thai Group.
3. Corporate Governance:
- Review corporate governance policy and codes of conduct for directors and employees of the Bank to ensure consistency with the corporate governance criteria of relevant regulatory authorities, and submit to the Board of Directors for approval.
 - Approve corporate governance guidelines for relevant units to align with and present to the Board of Directors for acknowledgement on a yearly basis so as to enhance good corporate governance of the Bank.
4. Other matters as assigned by the Board.

3. Board Risk Committee

The Board Risk Committee (BRC) is composed of:

1. Dato' Lee Kok Kwan ^{/1}	Director	Chairman
2. Mr. Chitrapongse Kwangsukstith	Director	Member and Alternate Chairman
3. Ms. Serena Tan Mei Shwen	Director	Member
4. Mr. Subhak Siwaraksa	President and CEO	Member (interim)
5. Ms. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Secretary

Note ^{/1} The Board meeting, held on 22 January 2016, resolved to appoint Dato' Lee Kok Kwan as Chairman and Mr. Chitrapongse Kwangsukstith as Member and Alternate Chairman.

Powers, Duties and Responsibilities:

1. Approve the appointment and changes of members as well as powers, duties and responsibilities of the following:
 - 1.1. Risk Management Committee (RMC)
 - 1.2. Assets and Liabilities Management Committee (ALCO)
 - 1.3. Market Risk Committee Thailand (MRCT)
 - 1.4. Product Development Committee (PDC)
 - 1.5. Credit Committee Level 2 (CCL2)
 - 1.6. Credit Committee Level 3 (CCL3)
 - 1.7. Any other risk committees appointed and reporting directly to BRC
2. Approve/concur with risk policies, limits and management action triggers (MAT) (e.g. market risk, credit risk, operational risk, strategic risk, etc.) of CIMB Thai and its Financial Group as follows:

Frameworks/policies/limits and MATs of CIMB Thai

 - 2.1 Approve new or changed risk management framework/policy that may result in material increase in risk level as permitted by regulator(s) to be approved by Board-delegated committee; and
 - 2.2 Approve all risk limits and MATs permitted by regulator(s) to be approved by Board-delegated committee.

Frameworks/policies/limits and MAT of companies in the Financial Group

 - 2.3 Concur with new or changed risk management framework/policy required for companies in the Financial Group that may result in material increase in risk level prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
 - 2.4 Concur with all risk limits and MATs prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
3. Oversee the entire risk and capital management function of CIMB Thai and its Financial Group, including:
 - 3.1 Monitor to ensure the Bank is operated efficiently and in compliance with capital management frameworks, policies and strategies and other related frameworks, policies and strategies.
 - 3.2 Approve Risk Posture and Stress Testing Scenario.

4. Concur or approve proposals recommended by risk committees, including but not limited to the following:
New third party of CIMB Thai and its Financial Group
 Approve the new third party(ies) of CIMB Thai (excluding CIMB Principal Asset Management and companies in its Financial Group) before selling the products or concur with the new third party(ies) of Financial Group prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
 5. Provide strategic guidance and review decisions made by the various risk committees.
 6. Ensure infrastructure, resources, systems including risk measurement tools and other capabilities of CIMB Thai and its Financial Group are in place for risk management to maintain a satisfactory level of risk management and discipline and that the risk awareness culture is pervasive throughout the organization.
 7. Appoint external consultants, from time to time, to review and advise BRC on risk management matters.
 8. Approve and ensure the following are in line with regulatory requirements:
 - 8.1. Risk-related disclosures
 - 8.2. Internal control over process of risk-related disclosures
- Scope: CIMB Thai Financial Group (where appropriate)

4. Shariah Sub-Committee

The Shariah Sub-Committee is composed of independent Islamic finance experts who are not Bank employees and/or hold no other positions in the Bank, as below:

1. Dr. Ismaae Alee
2. Dr. Maroning Salaming

Powers, Duties and Responsibilities

1. Explore all possibilities in providing financial services in the conduct of Shariah business by the Bank and its subsidiaries.
2. Give opinions and propose relevant issues of Shariah business to the Board of Directors and/or other Board Committees involved.

5. Management Committee

The Management Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsene ^{/1}	Deputy CEO & Senior Executive Vice President Business Support Group	Vice Chairman
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
4.	Mr. Pornchai Padmintra	Senior Executive Vice President Wholesale Banking Group	Member
5.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
6.	Mr. Sutee Losoponkul	Senior Executive Vice President Treasury Group	Member
7.	Head	Commercial Banking Group	Member
8.	Mr. Jason Leong Kok Yew ^{/2}	Executive Vice President Acting Head of Finance Group	Member
9.	Mr. Narong Lerdluckanawong ^{/3}	Executive Vice President Trade Finance Sales & Product Division Acting Head of Transaction Banking Group	Member
10.	Mrs. Siriporn Ambhanwong ^{/4}	Executive Vice President Operation Division Acting Head of Group Information and Operations Division	Member

11.	Mrs. Kanokpai Vongsatitporn	Executive Vice President Human Resources Management Division	Member
12.	Mr. Prapas Thongsuk	Executive Vice President Corporate Communications Division	Member
13.	Mr. Tan Keat Jin ^{/5}	Executive Vice President Strategy Division	Member
14.	Mr. Thaphop Kleesuwan	Executive Vice President Office of the President	Secretary

By invitation

Ms. Siriporn Sanunpairaue	Senior Executive Vice President Internal Audit Division
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- Note ^{/1} The Board meeting, held on 26 October 2015, resolved extending the employment of Mr. Surachai Chitratsenee, Deputy CEO and Senior Executive Vice President, Business Support Group, taking effect from 1 January 2016 to 31 December 2016.
- ^{/2} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Jason Leong Kok Yew as Executive Vice President and Acting Head of Finance group, taking effect from 1 February 2016.
- ^{/3} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Narong Lerdluckanawong, Executive Vice President, Trade Finance Sales & Product Division, as Acting Head of Transaction Banking group, taking effect from 12 January 2016.
- ^{/4} The Board meeting, held on 27 November 2015, resolved to appoint Mrs. Siriporn Ambhanwong, Executive Vice President, Operations Division, as Acting Head of Group Information and Operations Division, taking effect from 12 January 2016.
- ^{/5} The Board meeting, held on 29 September 2015, resolved to appoint Mr. Tan Keat Jin as Executive Vice President, Strategy Division, taking effect from 1 October 2015.

Powers, Duties and Responsibilities:

1. Provide advice to the President and Chief Executive Officer.
 2. Monitor and evaluate performance of each business unit.
 3. Review financial and other management reports of the Bank.
 4. Devise strategy, business and capital management plans and budgets for the Bank.
 5. Identify cross-divisional and cross-border synergies.
 6. Deliberate key regulatory issues.
 7. Approve delegated authority on internal operations of non-risk related business units.
 8. Approve, revise and conduct annual reviews of the Bank's internal policies related to administration/operation/ others, which are not required by regulatory bodies to obtain the Board of Directors' approval.
 9. Approve the revision of delegation of authority and policies in relation to the Bank's reorganisation.
 10. Approve the appointment and revision of members, duties and responsibilities of Marketing and Communications Committee and Retail Business Committee.
Approve the appointment and revision of members, duties and responsibilities of Marketing and Communications Committee;
 11. Consider and decide on non-financial issues under 1Platform Project.
 12. Review, give opinions, consider and approve the proposed legal provision in case the Bank and executives are sued for damages as recommended by Corporate Legal Division.
 13. Approve fee sharing scheme for investment product selling and/or referral of customers through Retail Banking Group only in case of third party products which are not related party transactions or have no material change from the existing ones already approved by Risk Management Committee.
 14. Approve third party products with non-material change from those already approved by Risk Management Committee.
 15. Approve appointment of insurance broker for the Bank.
 16. Other matters as assigned by the Board/President and Chief Executive Officer.
- Scope: CIMB THAI Bank Group-wide

6. Risk Management Committee

Risk Management Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsene	Deputy CEO and Senior Executive Vice President Business Support Group	Member and Alternate Chairman
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
	or Mrs. Thitawat Pothanant	First Executive Vice President Credit Evaluation Division	Alternative Member
4.	Mr. Pornchai Padmintra	Senior Executive Vice President Wholesale Banking Group	Member
	or Ms. Chittavadee Sangthong	Executive Vice President Credit and Risk Analytics Division	Alternative Member
5.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
6.	Mr. Sutee Losoponkul	Senior Executive Vice President Treasury Group	Member
7.	Head	Commercial Banking Group	Member
8.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
9.	Mr. Narong Lerdluckanawong	Executive Vice President Trade Finance Sales & Product Division	Member
10.	Mrs. Siriporn Ambhanwong	Acting Head of Transaction Banking Group	Member
		Executive Vice President Operations Division	
		Acting Head of Group Information and Operations Division	Member
11.	Mr. Tan Keat Jin	Executive Vice President Strategy Division	Member
12.	Representative from Risk Management Group		Secretary

Powers, Duties and Responsibilities:

- Ensure that the entire risk and capital management functions of CIMB Thai and its Financial Group operate effectively, including review and concur with the following prior to submission to the Board of Directors of the Bank or the companies in the financial business group for consideration:
 - Capital management policies and strategies, including Capital Management Framework, Strategic Risk Framework and Annual Integrated Planning Framework
 - Policies related to Basel - Internal Capital Adequacy Assessment Process (ICAAP) including identifying, measuring, monitoring and controlling of risks to be in line with the risk and capital strategies and regulatory requirements
 - Risk Appetite Statement
- Concur with Stress Testing Scenario and Risk Posture prior to submission to Board Risk Committee (BRC) for approval.
- Enhance shareholder value through evaluation of risk-return profiles of business activities and ensuring that they are within the parameters set by the Board of Directors or Board Risk Committee.
- Approve or concur with risk frameworks, policies, limits and MATs of CIMB Thai and its Financial Group as follows:

For matters required by regulator(s) to be approved by BOD

 - Concur with risk frameworks, policies, limits and MATs prior to submission to the Board of Directors of the Bank or the companies in its Financial Group for approval.

For matters permitted by regulator(s) to be approved by BOD-delegated committee

- 4.2 Concur with new or changed risk management framework/policy that may result in material increase in risk level prior to submission to BRC for consideration.
- 4.3 Concur with risk limits and MATs prior to submission to BRC for consideration.
- 4.4 Approve changes to the existing risk frameworks/policies of CIMB Thai that result in non-material increase in risk level.
- 4.5 Concur with changes to the existing risk frameworks/policies of the companies in its Financial Group that result in non-material increase in risk level prior to submission to the respective Board of Directors of the companies in its Financial Group for approval.
5. Approve underwriting criteria and delegated authorities (including credit facility approval) under product program and other risk-related delegated authorities (excluding credit facility approval) of CIMB Thai.
6. Concur with underwriting criteria and delegated authorities (including credit facility approval) under product program and other risk-related delegated authorities (excluding credit facility approval) of Financial Group prior to submission to the respective Board of Directors of the companies in Financial Group for approval.
7. Review and ensure that infrastructure, resources, systems and other capabilities of CIMB Thai and its Financial Group are in place for risk management to maintain a satisfactory level of risk management and discipline and that the risk awareness culture is pervasive throughout the organization.
8. Review and ensure the following are in line with regulatory requirements prior to submission to Board Risk Committee for consideration:
 - 8.1 Risk-related disclosures
 - 8.2 Internal control over process of risk-related disclosures
9. Compliance
 - 9.1 Enforce compliance with all the risk management frameworks, policies, risk limits and delegation of authorities of CIMB Thai and its Financial Group
10. Consider or approve risk identification and measurement, including but not limited to the following:
 - 10.1 Methodologies to identify and measure all the risks
 - 10.2 Strategies to assess, monitor and control the risks to be within the appropriate levels (e.g. score cut-off, Asset Quality Trigger (AQT) for Retail portfolio, etc.)
11. Risk measurement tools
Concur with risk measurement tools including risk models and validation reports (as appropriate) prior to submission to BRC or Board of Directors of the companies in Financial Group for consideration.
12. Maintenance of asset quality
Ensure the asset quality of CIMB Thai and its Financial Group through close monitoring of credit approval process, approval of new loans and remedial actions for non-performing loans.
13. Concur with Business Continuity Management (BCM) Framework and Policy of CIMB Thai and its Financial Group prior to submission to the Board of Directors of the Bank or the companies in Financial Group for approval.
14. Consider and propose the appointment of new risk committees to BRC for approval.
15. Consider and approve the appointment of new members and changes of members as well as powers, duties and responsibilities of the following committees:
 - 15.1. Basel Committee
 - 15.2. Operational Risk Management Committee
 - 15.3. Credit Risk Committee
 - 15.4. Outsourcing/Insourcing Committee
 - 15.5. Reputational Risk Committee
 - 15.6. BIBOR Committee
 - 15.7. Any other risk committees appointed and reporting directly to Risk Management Committee
16. Consider and approve the appointment and changes of members of Credit Committee Level 3 as appropriate.

Scope: CIMB Thai Financial Group (where appropriate)

7. Credit Risk Committee

The Credit Risk Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mrs. Panute Na Chiangmai (Representative from Risk Management Group)	Senior Executive Vice President Risk Management Group	Member and Alternate Chairperson
3.	Mr. Surachai Chitratsenee or Mr. Chalernpol Decharit	Deputy CEO & Senior Executive Vice President Business Support Group Senior Vice President NPL & NPA Management Team	Member Alternate Member
4.	Mr. Somkiat Sethasompope	Executive Vice President Commercial Credit Analysis Division	Member
5.	Ms. Onanong Udomkantong or Mr. Ekasith Phrutthipalakorn	Executive Vice President Retail Loan Products First Vice President Retail Loan Business Development	Member Alternate Member
6.	Ms. Chittavadee Sangthong or Mrs. Wimonrat Seriniyom	Executive Vice President Credit and Operational Risk Analytics Division Executive Vice President Corporate Banking Group	Member Alternate Member
7.	Mrs. Thitawat Pothanant (Representative from Risk Management Group)	First Executive Vice President Credit Risk Division	Member
8.	Mr. Anuwat Chuenchon	Representative from Risk Management Group	Secretary

Powers, Duties and Responsibilities:

The Credit Risk Committee reports to Risk Management Committee on all credit related activities of the Bank and its Financial Group. The responsibilities of Credit Risk Committee include the following:

1. Approve the change/improvement of process, report template which is related to credit risk management, including early warning and its related process to improve risk management.
2. Monitor the credit quality of the Bank and subsidiaries in the Financial Group as well as recommend recovery actions to be taken against troubled-debt cases.
3. Approve relevant lending guidelines and sectors analysis report, including recommended business sector and industry early warning signal report to improve risk management.
4. Approve (for CIMB Thai) / concur (for Financial Group) with changes to underwriting criteria under product programs of CIMB Thai and its Financial Group which result in non-material increase in risk.
5. Any other functions as and when directed by Risk Management committee or Board Risk Committee.

8. Credit Committee Level 2

The Credit Committee Level 2 is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsenee	Deputy CEO & Senior Executive Vice President Business Support Group	Member and Alternate Chairman
3.	Mrs. Panute Na Chiangmai (Representative from Risk Management Group)	Senior Executive Vice President Risk Management Group	Member
4.	Mr. Somkiat Sethasompope (Representative from Commercial Banking Group)	Executive Vice President Commercial Credit Analysis Division	Member

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|----|--|---|-----------|
| 5. | Mrs. Thitawat Pothanant
(Representative from Risk Management Group) | First Executive Vice President
Credit Risk Division | Member |
| 6. | Mrs. Wimonrat Seriniyom
(Representative from Wholesale Banking Group)
or Ms. Chittavadee Sangthong | Executive Vice President
Corporate Banking Group

Executive Vice President
Credit and Operational Risk Analytics Division | Member |
| 7. | Mr. Narong Lerdluckanawong
(Representative from Transaction Banking Group) | Executive Vice President
Trade Finance Sales & Product Division | Member |
| 8. | Credit Committee Level 2
Secretary Team | | Secretary |

Powers, Duties and Responsibilities:

The Credit Committee Level 2 reports to the Board Risk Committee on all credit related activities of the Bank's group. The responsibilities of the Credit Committee Level 2 include the following:

1. Approve credit facilities including investments in debt instruments or hybrid financial instruments without embedded derivatives for customer and/or group of customers having aggregate limits and global rating (on a group basis) as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Not over THB 500 million	Not over THB 500 million
Rating 9 and better	Over THB 500 million up to THB 800 million	Over THB 500 million up to THB 800 million
Rating 7 and better	Over THB 800 million up to THB 2,000 million	Over THB 800 million up to THB 2,000 million
Rating 4 and better	Over THB 2,000 million up to THB 3,000 million	Over THB 2,000 million up to THB 3,000 million

Group rating is the weighted average of the global obligor rating (based on credit limit excluding DSR limit) of all companies in the group

- Revolving credit: credit Limit = approved credit line
- Non-revolving credit: credit Limit = outstanding + available line for drawdown

For customers which are in the groups that have specialized lending accounts and have not been rated, the Credit Committee Level 2 shall approve for customer and/or group of customers within the aggregate limits of not over THB 500 million. Once the rating is ready to implement for specialized lending accounts, the above table is to be applied.

2. Review and approve annual review, changes of terms and conditions for credit facilities originating Group-wide including investments in debt instruments or hybrid financial instruments without embedded derivatives for the customer and/or group of customers having aggregate limits as follows;

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to the lending limit according to the Bank of Thailand's criteria	All limits

3. Recommend for the Board's approval, where necessary, all credit proposals and/or investments in debt instruments or hybrid financial instruments without embedded derivatives for customers and/or group of customers not under authority of the Credit Committee Level 2, and all proposals for investment in debt instruments with embedded derivatives and all lending to related parties.
4. Approve temporary excess of facility limit for a period of no longer than one year and the excess shall not be more than 10% of total limit extended to such customer for customer and/or group of

customer having aggregate limit and/or global rating beyond the Credit Committee Level 2's approval credit authority as stated in clause 1 as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Not more than 10% of total limit (excluding DSR Limit)	Not more than 10% of total limit (DSR limit only)

5. Ensure the group's overall loans portfolio meets with the guidelines of regulatory authorities and approved credit policies and procedures.
6. Approve any actions relating to troubled loans which are under the authority of Credit Committee Level 2, including debt settlement or debt restructuring as follows:
 - 6.1. Approval of debt settlement or debt restructuring with hair cut or write off within the existing loan loss provision for credit facilities extended to the customer and/or group of customers having aggregate limits as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 500 million	Up to THB 500 million

- 6.2. Approval of debt settlement or debt restructuring with no hair cut or write off for credit facilities extended to the customer and/or group of customers having aggregate limit as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to the lending limit according to the Bank of Thailand's criteria	All limits

7. Review and approve loan classification and loan loss provisions for each loan and all credit limits.
8. Assess the risk return trade-off when approving credit facilities to ensure that facilities granted are within the risk appetite of the group.
9. Determine, review and override baseline obligor rating of each loan and all credit limits as deemed appropriate.
10. Approve PSR passive excess for each loan and all credit limits.
11. Review and approve the sales of non-performing assets formerly used as premises for the Bank's operations or for use by staff and employees of Bank that have the aggregate cost of not exceeding THB 50 million.
12. Review and approve the management of non-performing assets (NPA) obtained from the transfer of collateral to the Bank to settle debt or from public auction of the collateral, including approval of selling price, sale procedures and payment conditions, whereby the aggregate cost of the sale of NPAs to any single person or group of persons shall not exceed THB 500 million.
13. Recommend to the Boards of companies in the Bank's Financial Group for approval of credit facilities, investments and debt restructuring/ debt settlement without or with haircut/ write-off (if any) within the existing loan loss provision for the customer and/or group of customers having aggregate limits up to legal lending limit, including the management of non-performing assets.
14. Other matters as assigned by the Board.

Note Aggregate limit is total credits granted to and/or contingent liabilities undertaken for and/or investments made in the customer and/or group of customers or principal outstanding and accrued interest plus investments, whichever is higher.

Scope: CIMB Thai Financial Group

9. Retail Business Committee

The Retail Business Committee is composed of:

- | | | |
|-----------------------------|--|-----------------------|
| 1. Mr. Subhak Siwaraksa | President and CEO | Chairman |
| 2. Mr. Adisorn Sermchaiwong | Senior Executive Vice President
Retail Banking Group | Alternate
Chairman |
| 3. Mrs. Panute Na Chiangmai | Senior Executive Vice President
Risk Management Group | Member |

	or Ms. Sasima Thongsamak	Senior Vice President Retail Risk Team	
4.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
5.	Mrs. Siriporn Ambhanwong	Executive Vice President Operations Division Acting Head of Group Information and Operations Division	Member
6.	Mr. Prapas Thongsuk	Executive Vice President Corporate Communications Division	Member
7.	Ms. Dusanee Klewpatinontha	Executive Vice President Wealth Products and Consulting	Member
8.	Ms. Onanong Udomkantong	Executive Vice President Retail Loan Products	Member
9.	Mrs. Kanokpai Vongsatitporn	Executive Vice President Human Resources Management Division	Member
10.	Head	Cards and Fee Based Products	Member
11.	Ms. Sariya Taweasang	Senior Vice President Retail Deposit and Customers	Member
12.	Ms. Piyawan Thianphranon	Senior Vice President Retail Business Finance Team	Member & Secretary

Powers, Duties and Responsibilities:

1. Formulate strategies and initiatives for business growth of retail business, taking into consideration the prevailing market conditions and the Bank's resources, competitive environment and risk appetite.
2. Analyze the medium to long-term development strategies and investment decisions of the Retail Banking Group and the subsidiaries in retail business (including lending, collection, deposit-taking, branch and branch services, credit card, all retail products or services, and back office infrastructure) (hereon referred to as "Retail Business") for submission to Management Committee.
3. Approve/ concur business plans, budgets, strategic plans and sales promotion of Retail Business.
4. Review and monitor overall performance of Retail Business with details as follows:
 - 4.1. Retail banking portfolio performance and retail banking profitability (P&L) by product, customer, channel, campaign and special promotion.
 - 4.2. Marketing plan including branding, sales promotion, advertising and product design.
 - 4.3. Operation/ IT which is related to Retail Business, e.g. down time issue, turn-around time, etc.
 - 4.4. Risk performance which has impacts on Retail Business, e.g. credit criteria, credit processing, etc.
 - 4.5. Staff turnover of Retail Business, including other arising issues.
5. Delegate an authority of approval to Retail Banking Group Head and Strategy & Finance Group Head for the framework and concept of incentive* scheme designed for the Bank's staff, e.g. determination of return payment, return rate, etc., and any changes in relation to framework and payout of the new or existing scheme only with the case that expenses ≤ THB 0.5 million. In case of excess of THB 0.5 million, proposal to Retail Business Committee is required.
6. Delegate an authority of approval to Retail Banking Group Head and Strategy & Finance Group Head for new marketing plan, sales promotion plan, media and advertising, and other related expenses** (excluding interest rates and fees) only with the case that expenses ≤ THB 0.5 million. In case of excess of THB 0.5 million, proposal to Retail Business Committee is required.
7. Delegate an authority of approval to the Chairman and Managing Director of subsidiaries for the framework and concept of incentive* scheme designed for the subsidiaries' staff, and for new marketing plan, sales promotion plan, media and advertising, and other related expenses** only with the case that expenses ≤ THB 0.5 million, which shall be proposed for acknowledgment at the next Retail Business Committee's meeting. In case of excess of THB 0.5 million, proposal to Retail Business Committee is required.
8. Perform any other functions as assigned by the Management Committee or the President and CEO.

*Incentive is payment to the Bank's employees (staff and direct sale staff) in form of cash or non-cash item, i.e. gold and other benefits that are taxable such as travelling package, etc., which is on top of compensation in form of salary.

Note If any incentive scheme, though approved within the expense limit of THB 0.5 million, actually incurs expenses exceeding THB 0.5 million, it shall require acknowledgment at the upcoming Retail Business Committee's meeting.

**Relevant expenses are sales promotion expense, advertising & public expense, marketing activity & event expense and other acquisition expense, excluding regular marketing expenses, i.e. marketing material expense: brochure, leaflet, welcome pack, lounge benefit, etc.

10. Assets and Liabilities Management Committee

The Assets and Liabilities Management Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsenee	Deputy CEO & Senior Executive Vice President Business Support Group	Member and Alternate Chairman
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
	Mr. Radhapol Chudhangkura	Senior Vice President Asset and Liability Management Team	Alternate Member
	Mr. Somchai Yongkrittaya	Senior Vice President Market Risk Team	Alternate Member
4.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
	Mrs. Pannee Deesilpakij	Senior Vice President Wholesales Finance Team	Alternate Member
5.	Mr. Tan Keat Jin	Executive Vice President Strategy Division	Member
6.	Mr. Sutee Losoponkul	Senior Executive Vice President Treasury Group	Member
	Mr. Pao Chatakanonta	Senior Executive Vice President Deputy Treasurer	Alternate Member
	Ms. Panawan Wongakkarakul	Executive Vice President Funding Division	Alternate Member
7.	Mr. Pornchai Padmintra	Senior Executive Vice President Wholesale Banking Group	Member
	Ms. Somjittra Dhanasobhon	Executive Vice President Business Management Division	Alternate Member
8.	Head	Commercial Banking Group	Member
	Mr. Chatchawal Apinyanant	Senior Vice President Product and Business Development Division	Alternate Member
9.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
	Ms. Sariya Taweasang	Senior Vice President Retail Deposit and Customers	Alternate Member
10.	Mr. Narong Lerdluckanawong	Executive Vice President Trade Finance Sales & Product Division	Member
	Mr. Radhapol Chudhangkura	Acting Head of Transaction Banking Group Senior Vice President Asset and Liability Management Team	Secretary

Powers, Duties and Responsibilities:

The objective of ALCO is to oversee the asset and liability management (ALM) risks, focusing on the entire balance sheet and:

1. Ensure that business lines align with CIMB Thai's overall objectives and are proactively controlled with regard to key ALM risks (funding and liquidity risk and interest rate risk in banking book).
2. Ensure that all ALM risks remain within the risk appetite set by the Board of Directors or delegated committee, i.e. Board Risk Committee (BRC).
3. Review and concur with appropriate strategies developed in response to emerging ALM risks in the Bank's portfolios.
4. Review the Fund Transfer Pricing (FTP) framework and mechanism to ensure all businesses align with and are incentivized according to the Bank's strategic objectives and risk appetite.
5. Review the net interest income (NII) performance, evaluate and assess the impact of potential drivers of earnings volatility.

11. IT Strategic Planning Committee

The IT Strategic Planning Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Jason Leong Kok Yew	Executive Vice President	Alternate
		Acting Head of Finance Group	Chairman
3.	Mrs. Siriporn Ambhanwong	Executive Vice President	Member
		Operations Division	
		Acting Head of Group Information and Operations Division	
4.	Mrs. Panute Na Chiangmai or representative from Risk Management Group	Senior Executive Vice President	Member
		Risk Management Group	
5	Mr. Adisorn Sermchaiwong	Senior Executive Vice President	Member
		Retail Banking Group	
	or Mrs. Somchit Chuenchomchat	Senior Vice President	
		Retail Sales Management and Supports	
6.	Ms. Winita Kimsawadi	Senior Vice President	Member
		Financial Reporting Department	
7.	Mr. Tapakorn Siritanawutichai	Executive Vice President	Member and
		Technology Division	Secretary
8.	Mr. Boonkiat Ekwanich	First Vice President	Adviser
		Information Technology Audit Department	

Powers, Duties and Responsibilities:

1. Define short and long term IT plans, project priorities and appropriate budget and resources.
2. Determine the IT strategic plan support the overall organizational strategic business plan.
3. Consider and determine technical projects, procurement and efficiency enhancement of technological systems and relevant equipment.
4. Define and monitor the effectiveness in implementing key IT policies and procedures, e.g. IT security policy, IT governance policy, IT risk management framework.
5. Approve, revise and conduct annual reviews of the Bank's internal IT-related policies.
6. Monitor the overall efficiency, performance and effectiveness of IT services.
7. Monitor the progress of each IT project in association with the strategies approved.
8. Appoint appropriate sub-committees or working groups to carry out the assignments;
9. Approve IT project of which the project cost exceeds THB 1 million but less than THB 100 million.
10. Review and endorse recommendations on IT projects the project cost of which exceeds THB 100 million.
11. Approve the procurement under a special process for IT projects.
12. Approve disbursement of the 1Platform R 1.1 budget of up to MYR 24 million and R 2.0 budget of up to MYR 2.467 million, totaling around MYR 26.467 million.

13. Ensure the success of the 1Platform Project implementation through engagement with various stakeholders and relevant parties.
 14. Make and approve decision on the strategy, direction, timeline, resources, staffing, financial and budget of projects.
 15. Review status and approve key project deliverables.
 16. Remove roadblocks and provide ongoing support for project teams.
 17. Consider and acknowledge the report of project status.
 18. Ensure compliance with the governance and administrative structure of the 1Platform Project.
 19. Resolve business-critical IT performance issues.
 20. Resolve cross-functional project delivery issues.
 21. Review post implementation review (PIR) papers for implemented projects to ascertain project management quality and meet the deliverables of business cases.
 22. Establish priorities and monitor status of IT projects and compliance towards service level agreements.
 23. Appoint Pre-ITSPC Review Team to review business case papers before submission to ITSPC.
- Scope: CIMB Thai Bank Group-wide

12. Market Risk Committee Thailand

The Market Risk Committee Thailand is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsene	Deputy CEO & Senior Executive Vice President Business Support Group	Member
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
4.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
	or Mrs. Pannee Deesilpakij	Senior Vice President Wholesales Finance Team	Alternate Member
5.	Ms. Chittavadee Sangthong	Executive Vice President Credit and Risk Analytics Division	Member
	or Mrs. Wimonrat Seriniyom	Executive Vice President Corporate Banking Group	Alternate Member
6.	Mrs. Thitawat Pothanant	First Executive Vice President Credit Risk Division	Member
7.	Ms. Sumalee Boonanan	Senior Vice President Treasurer's Office and Risk Analytics Team	Member
	or Ms. Pacharin Sanglerdsilapachai	Vice President Treasurer's Office & Risk Analytics Team	Alternate Member
8.	Mr. Somchai Yongkrittaya	Senior Vice President Market Risk Team	Member
9.	Representative from Risk Management Group		Secretary

Powers, Duties and Responsibilities:

1. Evaluate underwrite proposals for primary and secondary market and off-market (resulting from mergers and acquisitions) deals for debt and equity instruments from the Group, namely:
 - 1.1. Underwriting of IPO, equity offerings and rights issues and underwriting or bought deals for debt securities issuance
 - 1.2. Secondary market block placements
 And ensure that the pricing of any proposal is adequate to compensate the risk, with sufficient measures taken to mitigate risk amidst adverse market movement and to assess market conditions conducive for the success of the deals.
2. Approve in firm debt underwriting transaction for primary market of up to THB 500 million with the minimum debt rating of A-.
3. Review and recommend to the Board of Directors/ delegated Board member(s) of CIMB Thai for approval of firm underwriting or bought deal for debt securities issuance.

4. Review and recommend to the Board of Directors/ delegated Board member(s) of CIMB Thai for approval of the holding amount of any debt securities for market making purpose with the following conditions:
 - 4.1. The debt securities are underwritten by CIMB Thai.
 - 4.2. Within 90 days after the issue date, the holding amount must be within the limit approved by the Board of Directors/ delegated Board member(s) of CIMB Thai.
 - 4.3. After 90 days from the issue date, the holding must not exceed 15% of the underwriting amount subject to the overall cap of market making portfolio.

Scope: CIMB Thai's Financial Group

13. Marketing and Communications Committee

The Marketing and Communications Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Prapas Thongsuk	Executive Vice President Corporate Communications Division	Alternate Chairman
3.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
4.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
5.	Mrs. Kanokpai Vongsatitporn	Executive Vice President Human Resources Management Division	Member
6.	Ms. Sunitta Yodsheewan	First Vice President Public Relations and CSR Team	Secretary

Powers, Duties and Responsibilities:

1. Provide strategic direction and guidance for CIMB Thai Bank group wide in alignment with its brand management and positioning across all businesses and markets.
2. Review and approve all marketing plans, including above-the-line (ATL) and below-the-line (BTL) campaigns.
3. Address all elements with regard to general advertising spending and associated media exposure.
4. Review and approve all internal and external communications processes and mediums.

Scope: CIMB THAI Bank Group-wide

14. Product Development Committee

The Product Development Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member and Alternate Chairman
	or Mrs. Pannee Deesilpakij	Senior Vice President Wholesales Finance Team	Alternate Member
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
	or Ms. Suchada Phokasub	Senior Vice President Risk Analytics and Infrastructure Division	Alternate Member
4.	Mrs. Siriporn Ambhanwong	Executive Vice President Operations Division Acting Head of Group Information and Operations Division	Member
	or Mr. Piyawat Jirapongsuwan	Senior Vice President Business Engineering Division	Alternate Member
5.	Mr. Thaphop Kleesuwan	Executive Vice President Compliance Department	Member

	or Mr. Sirapong Chaiyatachapatana	Vice President Banking Compliance & Investor Business Compliance Section	Alternate Member
6.	Mrs. Siriporn Ambhanwong	Executive Vice President Operations Division	Member
	or Mr. Thiti Supamanee	Senior Vice President Credit Operations Department	Alternate Member
7.	Mr. Tan Keat Jin	Executive Vice President Strategy Division	Member
8.	Representative from Risk Management Group		Secretary

Permanent Invitee: Ms. Siriporn Sanunpairaue, Senior Executive Vice President, Internal Audit Division
 Mr. Boonsong Teachakidatikul, First Vice President, IT Strategy and IT Governance Department

Invitee: Head of business unit who is a product sponsor and only required to attend the meeting if there is/are relevant product(s)/service(s) submitted to PDC for consideration.

Powers, Duties and Responsibilities:

- Review products or services ("Products") of CIMB Thai or the third-party product(s) to be marketed by the Bank as follows:
 - Treasury products
Concur with new Treasury products, annual review or changes to the existing Treasury products prior to submission to the Board of Directors for approval.
 - Non-treasury products
Approve new products or changes that result in material increase in risk to the existing products.
 - Third-party products.
Approve new third-party products or changes that result in material increase in risk to the third-party products.
- Review products of CIMB Thai's Financial Group or the third-party product to be marketed by the Financial Group as follows:
Concur with new products or changes to the existing products of Financial Group and third-party product that result in material increase in risk prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
- New third-party of the Bank and Financial Group
Concur with new third-party(ies) (excluding CIMB Principal and CIMB Thai's Financial Group) prior to submission to Board Risk Committee for consideration.
- Review the competitiveness of the products and ensure that the Bank and its Financial Group have enough resources to launch the Products and the Products suit the needs and the financial capability of the targeted consumer segments.
- Review and ensure that there is appropriate and adequate risk assessment of the Products and the process/procedure in managing and controlling such risks are in place before launching the products.
- Review the profitability of the products and ensure that the cost and benefit is justified.
- Review operational process to ensure that the IT systems and operating processes of the Bank and its Financial Group are adequate or need enhancement to accommodate the launch of the products.
- Approve the Bank's IT system/ process or system/ process enhancement and the Bank's IT budget, up to THB 5 million for launching each product.
- Review and assess the products of the Bank or the third-party products of the Bank and the third party after being launched and make recommendation for improvement.

Scope: CIMB Thai's Financial Group (where appropriate)

15. Credit Committee Level 3

The Credit Committee Level 3 is composed of:

Set 1 shall consist of:

1	Mr. Boonrat Chuenurajit	Chairman
2	Ms. Jitrinee Tanskul	Member
3	Mr. Amnoey Thessiri	Member
4	Mr. Chalernpol Decharit	Member
5	Mr. Suvat Himinkool	Member
6	Credit Committee Secretary Team	Secretary

Set 2 shall consist of:

1	Ms. Apinya Punjajitti	Chairperson
2	Mr. Tada Potiwihok	Member
3	Mr. Wongkasem Karnthanat	Member
4	Ms. Siriporn Sirisingha	Member
5	Mr. Navapan Tonthadilok	Member
6	Credit Committee Secretary Team	Secretary

Powers, Duties and Responsibilities:

The Credit Committee Level 3 reports to the Credit Committee Level 2 on all credit related activities of the Bank's group. The responsibilities of the Credit Committee Level 3 include the following:

- Review and approve credit facilities extended to the customer and/or group of customers having aggregate limits as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 150 million	Up to THB 150 million

- Recommend for the Board approval all lending to related parties for credit proposals as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 150 million	Up to THB 150 million

- Ensure the Bank Financial group's overall loan portfolio meets with the guidelines of regulatory authorities and approved credit policies and procedures.
- Review and approve recovery action including troubled-debts which were purchased from others and review loan classification, loan loss provisions and write-offs including the approval of debt restructuring/ debt settlement without or with haircut or write-off (if any) within the existing loan loss provision for credit facilities extended to the customer and/or group of customers having aggregate limits as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 150 million	Up to THB 150 million

- Assess the risk return trade-off when approving loans to ensure that facilities granted are within the risk appetite of the Bank's Financial Group.
- Determine, review and override baseline obligor rating of each loan as deemed appropriate.
- Recommend to the boards of companies in the Bank's Financial Group for approval of credit facilities, and debt restructuring/ debt settlement without or with haircut/ write off (if any) within the existing loan loss provision for the customer and/or group of customers having aggregate limits not exceeding THB 150 million.
- Other matters as assigned by the Credit Committee Level 2.

Note Aggregate limit is total credits granted to and/or contingent liabilities undertaken for and/or investments made in the customer and/or group of customers or principal outstanding and accrued interest plus investments, whichever is higher.

16. The Problem Loan Management Working Group

The Problem Loan Management Working Group is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Alternate Chairperson
3.	Mr. Surachai Chitratsenee	Deputy CEO & Senior Executive Vice President Business Support Group	Member
	or Mr. Chalernpol Decharit	Senior Vice President NPL & NPA Management Team	
4.	Head or Mr. Natt Harnpakdee	Commercial Banking Group Senior Vice President Commercial Credit Analysis Division	Member
5.	Mrs. Wimonrat Seriniyom	Executive Vice President Corporate Banking Group	Member
	or Ms. Chittavadee Sangthong	Executive Vice President Credit and Risk Analytics Division	
6.	Mrs. Thitawat Pothanant	First Executive Vice President Credit Risk Division	Member
7.	Officer, Credit Committee Secretary Team		Secretary

Powers, Duties and Responsibilities:

The Working Group has duties and responsibilities to acknowledge report, give advice and determine problem loan management approaches including:

- Debt rectification
- Debt restructuring
- Debt settlement and haircut
- Write-off
- Collateral operation
- Others (as deemed proper and assigned by the Management Committee)

9.3 Selection and Appointment of Directors and Executives

1. Independent director

The Bank has the selection criteria of independent directors in place, and determines the qualifications of independent directors in accordance with the Capital Market Supervisory Board Notification No. ThorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares as follows:

- Hold shares not exceeding one per cent of the total number of shares with voting rights of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, including shares held by related persons of such independent director;
- Neither be nor have been an executive director, employee, staff, advisor who receives a salary, or controlling person of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing the application with the Securities and Exchange Commission (SEC). Such prohibited characteristic shall not include the

case where the independent director used to be a government official or advisor of a government agency which is a major shareholder or controlling person of the Bank;

- (c) Not be a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of a child, executive, major shareholder, controlling person, or a person nominated as an executive or controlling person of the Bank or its subsidiary company;
- (j) Neither have nor have had a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, in the manner which may interfere with his/her independent judgement, and neither be nor have been a significant shareholder or controlling person of any person having a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the SEC.

The term 'business relationship' under the first paragraph shall include any normal business transaction for business operation, rent or lease of immovable property, transaction relating to assets or services, or granting or receipt of financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar action, which result in the Bank or the counterparty being subject to indebtedness to the other party in the amount of three percent or more of the net tangible assets of the Bank or THB 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated by the valuation method applicable to connected transactions pursuant to the Capital Market Supervisory Board Notification regarding criteria on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurring during the period of one year prior to the date on which the business relationship with the person commences;

- (e) Neither be nor have been an auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person, or partner of an audit firm which employs the auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the SEC;
- (f) Neither be nor have been a provider of any professional services including those as legal advisor or financial advisor who receives service fee exceeding THB 2 million per year from the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the SEC;
- (g) Not be a director appointed as representative of directors of the Bank, major shareholder or shareholder who is related to the major shareholder;
- (h) Not undertake any business in the same nature as and in material competition with the business of the Bank or its subsidiary company, or not be a significant partner in a partnership, or not be a director involved in management, employee, staff, advisor who receives a salary or holds shares exceeding one percent of the total number of shares with voting rights of another company which undertakes business in the same nature as and in material competition with the business of the Bank or its subsidiary company;
- (i) Have no other characteristics which would disable expression of independent opinions on the Bank's business operations.

Upon appointment as independent director with qualifications as stated from (a) to (i) in the first paragraph, the independent director may be assigned by the Board to take part in the business decisions of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person of the Bank, on a collective decision basis.

2. Selection of Directors and Executives

Selection, Appointment and Removal of Directors

The Board of Directors shall be elected by the shareholders. The Bank has put in place director nomination procedures that are transparent and open for inspection. The Board shall accordingly appoint Nomination, Remuneration and Corporate Governance Committee to take charge of selecting and nominating qualified persons who have no disqualifications according to the law for appointment as directors by recommending them through the Board before submitting to the meeting of the

shareholders for approval and appointment. This process shall comply with the rules and procedures on appointment and removal of directors as specified in the Bank's Articles of Association as follows:

1. According to the shareholders' resolution, the Board of Directors shall comprise no fewer than 5 and no more than 12 members, with at least half the board members having domicile in Thailand.
2. Article 16 of the Bank's Articles of Association provides for the following voting procedure:
 - (1) Each shareholder shall have the number of votes equal to the number of shares held. One share is entitled to one vote;
 - (2) Votes shall be cast for either an individual or several directors in the number required to be elected at the respective meeting and as deemed appropriate by the meeting. In the election of either an individual or several directors, each elected person shall receive votes from each shareholder in the full amount of shares held by that shareholder pursuant to (1). The shareholder shall not allot his/her votes to any person in any number; and
 - (3) After the voting, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order in the number required in the election. Where the votes cast for candidates in the descending order are tied, and would otherwise cause the number of directors to exceed the number required to be elected at the respective meeting, the remaining appointments shall be made by drawing lots in the procedure to be determined by the Chairman of the meeting.
3. At every annual general meeting, one-third of the directors shall retire. In any subsequent years, the directors who have been in office the longest shall retire.
4. Whenever any person vacates his/her seat as a Board member for any reason other than expiry of term of office, the remaining members shall at the next Board meeting appoint another qualified and suitable director to fill that position for the remainder of the term of office of his/her predecessor except in the event that the vacant position has fewer than two months left in the term. The motion shall require the majority consent of at least 75% of the remaining members of the Board.

In addition, pursuant to the Financial Institution Business Act B.E. 2551 (2008), the Bank of Thailand (BOT) is empowered to issue an order requiring a commercial bank to remove from office any director or any person in charge of business operation that has caused serious harm to the society at large, or has failed to comply with the directives prescribed by the BOT. In this respect, the Bank is obliged to select a suitable replacement subject to approval by the BOT. The decision taken by the BOT to appoint or remove any director is conclusive.

Selection of Executives

In 2015, the Bank's principal focus was to attract talents with diverse professional backgrounds who could combine a broad spectrum of experience and expertise with integrity and drive to deliver on the Bank's business strategy and achieve its targets. An interview panel was set up in accordance with Bank policy and a selection and nomination process was formulated for all new senior executive appointments.

9.4 Governing Administration of Subsidiaries and Associate Companies

To governing administration of subsidiaries and associate companies, the Bank has appointed its executives to sit on boards of directors of those companies. The executives are responsible for keeping the Bank's Management Committee apprised of all operations and progress of the subsidiaries and associate companies on a monthly basis. The Board of Directors has also established Risk Management Committee to monitor and supervise companies in the Bank's Financial Group to ensure that their operations are in compliance with Risk Management policy prescribed by the Bank as well as regulations of the Bank of Thailand. In addition, the Board of Directors has given full support to the Audit Committee to oversee the subsidiaries and associate companies enabling the Bank to supervise and monitor operations of such companies to be in accordance with the Financial Group's policies, and to conduct audits of their financial reports to ensure accuracy and adequacy.

9.5 Governing Use of Internal Information

The Bank has oversight of use of internal information in accordance with good corporate governance. It is determined in written form and included in Corporate Governance Policy of the Bank, details of which are as follows:

The Board has set a policy and procedure to prohibit unauthorised disclosure of material, non-public information which may affect the Bank's securities. Such policy and procedure require members of the Board, executives and employees, including spouses and underaged children thereof, to refrain from using information that has become privately known to them for purchase, sale, transfer or receipt of transfer of securities of the Bank during a one-month period before such information goes to public.

Moreover, members of the Board and executives from levels of senior executive vice-president or the equivalents upward, and those holding executive positions or department heads or the equivalents upward in the accounting or finance function line are duty-bound to report every of their sale or purchase of securities of the Bank and any change of the holding thereof, to the Office of the Securities and Exchange Commission (SEC), and keep copies of such reports at the Office of the President as evidence. In addition, to ensure an efficient and transparent management, the Bank has formulated codes of conduct and guidelines for the Board, executives and employees on the use of internal information and operation guidelines with avoidance of conflicts of interest.

In this regard, the Board of Directors has concurred on the above practices.

9.6 Remuneration for external auditors

The Audit Committee considers the qualifications and performance of external auditors and recommends the appointment thereof as well as proposes audit fees to the Board of Directors annually. The Board then proposes the external auditor appointment and audit fees for the consideration and approval of the general meeting of shareholders. The list of external auditors to be proposed must also be endorsed by the Bank of Thailand.

For the year ended 31 December 2015, fees paid to the external auditors were as follows:

(1) Audit fees

CIMB Thai group paid the auditors audit fees totaling THB 10.92 million. Other incidental expenses included transport and photocopying expenses.

(2) Non-audit fee

CIMB Thai group did not obtain any other services from the audit firm for which the auditors were working and there were no other services from persons or businesses related to the auditors.

9.8 Other Compliance of Corporate Governance

In 2015, meeting attendance of Board members and Board committee members was as follows:

(Unit: Attendance)

No.	Director Name (number of meetings attended/total meetings)	(1) Board	(2) Audit Committee	(3) Nomination, Remunera- tion and Corpo- rate Gover- nance Committee	(4) Board Risk Committee *	(5) Management Committee	(6) Risk Manage- ment Committe e	(7) Credit Risk Committee	(8) Credit Committee Level 2
1.	Dato' Robert Cheim Dau Meng	11/12	-	11/11	-	-	-	-	-
2.	Mr. Sukont Kanjana-Huttakit	9/12	17/17	-	-	-	-	-	-
3.	Mrs. Watanan Petersik	8/12	-	9/11	4/9	-	-	-	-
4.	Dato' Shaarani Bin Ibrahim	12/12	15/17	11/11	-	-	-	-	-
5.	Ms. Sopawadee Lertmanaschai	11/12	13/17	-	-	-	-	-	-
6.	Mr. Chitrapongse Kwangsukstith	12/12	-	-	9/9	-	-	-	-
7.	Mr. Kenny Kim	7/12	-	-	7/9	-	-	-	-
8.	Ms. Serena Tan Mei Shwen	10/12	-	-	9/9	-	-	-	-
9.	Mr. Subhak Siwaraksa	12/12	-	-	8/9	48/48	16/16	9/12	31/52

No.	Director Name (number of meetings attended/total meetings)	(9) Retail Business Committee	(10) Assets and Liabilities Manage- ment Committee	(11) IT Strategic Planning Committee	(12) Market Risk Committee Thailand	(13) Marketing & Communicat ion Committee	(14) Product Develop- ment Committee	(15) Problem Loan Managem ent Working Group	(16) Shareholder meeting
1.	Dato' Robert Cheim Dau Meng	-	-	-	-	-	-	-	1/1
2.	Mr. Sukont Kanjana-Huttakit	-	-	-	-	-	-	-	1/1
3.	Mrs. Watanan Petersik	-	-	-	-	-	-	-	0/1
4.	Dato' Shaarani Bin Ibrahim	-	-	-	-	-	-	-	1/1
5.	Ms. Sopawadee Lertmanaschai ^{/1}	-	-	-	-	-	-	-	1/1
6.	Mr. Chitrapongse Kwangsukstith	-	-	-	-	-	-	-	1/1
7.	Mr. Kenny Kim ^{/2}	-	-	-	-	-	-	-	1/1
8.	Ms. Serena Tan Mei Shwen	-	-	-	-	-	-	-	1/1
9.	Mr. Subhak Siwaraksa	14/16	15/16	11/11	19/20	2/2	11/12	11/11	1/1

Note:

^{/1} The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as Independent Director and Audit Committee Member, taking effect from 1 January 2016.

^{/2} The Board meeting, held on 29 September 2015, resolved to acknowledge the resignation of Mr. Kenny Kim as Board Member, taking effect from 1 October 2015.

10. Corporate Social Responsibilities

The Bank gives importance to corporate social responsibilities in core business operation as it is aware that business sustainable growth can be achieved with social responsibilities.

10.1 Social responsibility policy

The Bank recognizes the importance of rights of all stakeholders, namely employees, shareholders, customers, trading partners, creditors and government agencies. The policy for stakeholders is determined as detailed below:

Customers

The Bank is determined to protect the interests of, pay attention to and take responsibility for, as well as bring maximum satisfaction to the customers, by offering quality and efficient services and products.

Shareholders

The Bank is determined to operate its business efficiently, effectively and transparently, with appropriate and consistent growth and stability of returns to the shareholders, and to put best efforts in maintaining its assets, reputation and good image.

Employees

The Bank considers all staff a valuable resource and is thus determined to promote and develop their knowledge and capabilities for their career progress and stability and proper remuneration commensurate with their capabilities and performance.

Trade partners/creditors

The Bank adheres to operating its business with integrity on the basis of contractual compliances and under business conditions which are fair and equitable to the creditors.

Corporate social responsibility

Corporate social responsibility (CSR) is part of the Bank's policy of giving back to the society by strictly complying with the relevant laws and regulations, and assisting and supporting activities that benefit the community and the society as a whole.

Responsibility for competitors

The Bank has a policy to promote competition under fair and transparent rules and circumstances, with no access to competitors' confidential information in an unethical manner and no ill intention to the reputation of competitors through false or unfair statements or acts.

The Bank's corporate social responsibilities are determined and categorized into eight principles in line with the Stock Exchange of Thailand ("SET")'s corporate social responsibility guideline:

1. Business operation for fairness

The Bank has a policy to promote competition under fair and transparent rules and circumstances, with no access to competitors' confidential information in an unethical manner and no ill intention to the reputation of competitors through false or unfair statements or acts.

2. Anti-corruption

The Bank has a policy to operate businesses with integrity, transparency and ethics. It emphasizes the importance of staff having mutual attitudes to countering, resolving and being accountable for the

corruption issue, and encourages all employees to have common knowledge and understanding and work with integrity and in accordance with the Bank's Corporate Governance Policy and Codes of Conduct.

3. Respect for human rights

Respect the human rights specified in the constitution; for instance, to respect the rights and human dignity for all persons living in Kingdom of Thailand although there are differences in homeland, race, religion, sex, age, personal status, social or financial status, belief in religion, education, or political view points which are not against the purview of the constitution.

4. Fair treatment for labour

- Strictly comply with the law, rules and regulations relating to employees.
- Treat every employee equally, without discrimination on race, sex, skin color, religion, origins, age, physical disability or personal characteristics irrelevant to performance of duties.
- Appointment, transfer, rewarding and punishment, as well as fringe benefits for employees shall be based on their knowledge, capabilities, suitability, and conduct or performance of duties.

5. Responsibilities to consumers

- Aim at creating benefits to and satisfaction of customers by offering good quality products and services that can respond to customer needs timely and punctually.
- Strictly comply with contracts, agreements or conditions committed to customers. In case of inability to comply, the Bank shall inform the customers thereof in advance in order to jointly work out solutions to prevent any possible damage.

6. Environment maintenance

The Bank complies with laws and regulations regarding environment as well as efficiently ensure the safety and environment. Its employees are encouraged be aware of and have responsibilities for environment and community seriously and continuously. Safety, Occupational Health and Working Environment Policy is prepared to ensure the efficiency of continuous operation of this issue as per the safety, occupational health and working environment standard.

7. Community and social development

The main concept of CIMB Thai Community Link is not only for a long-term participation of the branch teams to create the most suitable project but the Bank will also invite executives, employees, and customers to participate in the activities. The Community Link project which will be financially supported by CIMB Foundation, Malaysia can be considered as a way to give back to the Thai society with the use of foreign capitals.

8. Innovation and its distribution

The Bank has a policy to offer products and services that respond the customers' need. It also supports the energy reservation by offering CIMB Thai's Clean Energy Loan to facilitate the customers who want to make energy efficiency investment.

10.2 Operation

The eight principles of the SET's corporate social responsibilities that the Bank conforms to are:

1. Business operation for fairness

The Bank operates business using transparent and auditable credit underwriting criteria and complying with regulatory requirements. In addition, the Bank has measures to prevent any

transaction having conflict of interest, related party transaction or inappropriate related transaction. Policies are determined as follows:

- Making of such significant transactions as connected transactions and/or acquisition or disposal of assets of the Bank shall comply with the rules and regulations of the relevant regulators.
- The Bank has a policy to consider granting of credits to or making investments or commitments or making credit-like transactions with its major shareholder, or to the business in which directors or persons with managing power have beneficial interests in all cases pursuant to the ratio prescribed by the BOT. Such transactions are subject to unanimous approval by the Board and without involvement in the consideration and approval thereof by directors or persons with managing power who have beneficial interests in such credit or investment granting or credit-like transactions.

2. Anti-corruption

Being aware of the responsibility for all stakeholders, the Bank's Board of Directors ensures that channel is provided for making whistleblowing or complaints directly to the Chairman, the Chairman of the Audit Committee or the President and Chief Executive Officer. The channel is provided on the Bank's website. During the Bank's investigation, the names of the whistleblowers or the complainants will be kept confidential to protect them from any impact.

To ensure that the Bank has appropriate practice and regulation for corruption prevention, the Bank has prepared the "Policy and Procedures on Anti-Corruption" to be strictly complied with by the directors, executives, staff and subsidiaries. The Bank has also reviewed the practice, responsibility structure, risk management system, internal control and audit to prevent any internal fraud. Apart from the announcement of the Policy and Procedures, e-learning on this matter is provided to enhance the staff's knowledge and understanding.

The Bank was among the first group of organizations participating in the declaration of intention to join the "Private Sector Collective Action Coalition against Corruption" or CAC on 9 November 2010. Mr. Chakramon Phasukavanich, the Bank's then Chairman, signed the declaration and had consistently supported the Bank to participate in the certification process in order to establish a standard in business operation with transparency, integrity and social responsibility. On 16 January 2015, the Bank was officially certified to be the "CAC Member" by the Private Sector Collective Action Coalition Against Corruption Council.

3. Respect for human rights

Human rights are the fundamental rights all human beings equally have regardless of race, skin, gender, language, religion, political opinion, or other belief. To promote and protect human rights together with government agencies, the Bank has the following practices in place:

- All staff of the Bank has the equal rights in the workplace under the rules, regulations, announcements, and orders of the Bank.
- The Bank adheres to the principles of justice and sincerity in its management by complying with business ethics and etiquettes towards all stakeholders.
- The Bank has the employment standard laws, regulations, orders, and guidelines established devoid of use of forced labor and harassment or abuse in any case.
- All employees of the Bank receive safety rights protection according to the administration and management of the occupational health and safety and workplace environment.
- The Bank provides welfare benefits for the Bank's employees in addition to those required by laws as well as other benefits. Additionally, the Bank has set criteria and regulations for internal use as deemed appropriate

4. Fair treatment for labour

The Bank has provided employee benefits such as provident fund, social security fund, life insurance, medical treatment, annual health check-up, staff clinic, housing loan, car/motorcycle loan, staff education loan and general purpose loan, that are competitive against other leading banks to attract and retain talented and competent staff. The total fixed salary paid to Bank employees for the fiscal

year was THB 2,026.05 million. To be an employer of choice, the Bank will continue to improve its staff benefits to attract and retain quality staff.

In 2015, the Bank has developed human resources management system with focus on developing existing internal personnel to become a leader and successor to various key positions in the organization with competency based learning. Training roadmap was in place for branch staff at all levels to ensure increased skills in serving as a professional financial advisor. The Bank has also emphasized on providing all staff levels with leadership programmes, and implemented Learning Management System (LMS) via E-learning for key mandatory training programmes for all staff. Its focus has also been on building an organization culture under CIMB Group's A Better CIMB theme.

5. Responsibilities to consumers

- Provide accurate, adequate and updated information on products and services to customers to support their decision-making, carrying no exaggerated statements that may mislead customers about the quality and conditions pertaining to the products and services.
- Give importance to keeping customers' information confidential, and not use it to seek personal interests or those of related persons.

6. Environment maintenance

The Bank has also attached great importance to social and environmental projects. Altogether six projects were undertaken in the previous year with focus on community involvement and building of learning centres in community to ensure sustainability. We conducted theoretical and practical seminars with local wise men and experts encouraged to join for network building and preservation and transfer of folk wisdom crystallised from real experiences, to younger generation.

7. Community and social development

CIMB Thai Bank has continuously carried out CSR projects and activities with focus on collaborating and cooperating with CIMB network to do good and give back to Thai society. These activities have been joined by our customers, business alliances from public and private sectors, mass media and our employees, reflecting close cooperation of all sectors in the society. Our top executives and staff members have put joint voluntary efforts in driving all CSR projects to fruitful and successful outcomes, with support and assistance rendered in monetary and non-monetary forms.

The Bank carried out 10 CSR projects and activities in 2014, and altogether almost 60 projects and activities since 2011, covering fields of education, environment, and social and community development. (Details of which are disclosed in the 2015 Annual Report, CSR Projects and Activities.)

8. Innovation and its distribution

The Bank has expertise in energy reservation and renewable energy projects by having been promoting energy efficiency since 2001 and is accepted by both public and private sectors, local and international. In 2011, the Bank received Thailand Energy Awards 2011 and ESCO Excellent Supporting Bank Award for being commercial bank putting emphasis on and having expertise in loan for energy reservation and renewable energy.

11. Internal Controls and Risk Management

The Bank has established the organisational structure, policies and work procedures that ensure that effective risk management and internal control systems are put in place, enabling stable business growth and compliance with good corporate governance principles.

The Bank has established the organisational structure, policies and work procedures that ensure that effective risk management and internal control systems are put in place, enabling stable business growth and compliance with good corporate governance principles.

- Organisation and environment

The Bank has structured its organisation taking into account proper segregation of duties that will contribute to effective risk management and internal control as well as monitoring and audit systems. It has also consistently monitored the operations of its staff to be in line with the code of ethics and best practice in business operations with fair treatment of its stakeholders. Short- and medium-term business plans have been worked out to determine business strategy and framework, which are communicated to the staff at managerial levels bank-wide for their awareness and implementation to achieve the plans and targets set forth.

- Risk management

The Bank has realised the significance of risk management covering both internal and external risk factors. Risk Management Committee has been appointed by the Board of Directors with relevant roles, duties and responsibilities defined and operations of which assessed to ensure conformity with the risk management plan in place. Risk Management Group is in charge of formulating risk management policy and procedures of the Bank as well as setting up the risk control and monitoring mechanisms, and continuously strengthening the risk ownership of all staff.

- Oversight of executive management

The Bank has clearly defined, documented and regularly reviewed the scope of authority and responsibilities conferred on or delegated to executive officers at different levels. A clear division of responsibility between various management positions provides a mechanism for checks and balances between senior executives.

Executive management is required to bring to the attention of the Board any transactions that concern major shareholders, directors, and senior executives or parties related to them. In addition, the Bank has put in place policies and procedures governing the approval of loans for, or investment in businesses in which the Bank or its senior executives have material interest, including in relation to shareholders or senior executives.

In addition to the above, the Bank has established the Compliance Department to provide oversight and support to ensure that the Bank conducts its business in compliance with all applicable laws and regulatory requirements. The Internal Audit Division has been set up as an independent work unit to examine and ensure all Bank activities are effectively and efficiently managed and operated.

- Information and communication infrastructure

The Bank has established its accounting policies and procedures in line with generally accepted accounting principles that support the Bank's business requirements. It has developed and managed its information and database systems consistently so that significant information is accessible on an adequate and timely basis. The document management system provides an effective tool for retrieving and storing important electronic documents appropriately and safely. The policies and procedures have been communicated to relevant staff at all levels.

- Follow-up and monitoring system

The Bank has put in place processes for monitoring and reviewing the implementation of activities against the Bank's strategic objectives, policies, procedures, relevant laws, regulations, and internal

control systems. The Bank prepares an annual business plan, which is periodically reviewed to ensure its effectiveness in the rapidly changing environment. The Audit Committee is committed to ensuring that concrete actions are taken to execute recommendations and regularly monitoring resolutions to ensure that any identified issues are brought to satisfactory conclusion.

Internal Audit Division Head and Compliance Department Head

The Bank appointed Ms. Siriporn Sanunpairaue, Senior Executive Vice President, to be Internal Audit Division Head having duties to audit the management and operation of the Bank's work units in order to ensure the efficiency and effectiveness. In this regard, the consideration and approval to appoint, dismiss and transfer Internal Audit Division Head are roles and responsibilities of the Audit Committee.

In addition, the Bank appointed Mr. Thaphop Kleesuwan, Executive Vice President, to be Compliance Department Head having duties to supervise and monitor the Bank's operation in compliance with relevant regulatory requirements.

Qualifications of Internal Audit Division Head and Compliance Department Head are as in Attachment 3.

12. Related Party Transactions

As of 31 December 2015, the Bank recorded significant business transactions with its subsidiary and affiliated companies (related by way of having common shareholders), including related persons (directors or executives from the level of vice president upwards). These transactions were concluded on commercial terms and based on mutually agreed upon criteria in the ordinary course of business between the Bank and its subsidiary, associated and affiliated companies. Details are as disclosed in the Notes to Financial Statements item 44 of Financial Statements as of 31 December 2015.

- Connected transactions with persons who may have conflicts of interest are as follows:

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder	<p>The Bank has cooperated with CIMBST on ECM activities in Thailand and/or must cooperate with other companies within CIMB Group that were related to ECM Activities in other countries (CIMBF). Income sharing was as follows:</p> <p>1) CIMBST would share part of its ECM fees (underwriting fee and brokerage fee) from acting as an underwriter to CIMB Thai as a management fee in an amount equal to 50.00% of total ECM fees that CIMBST received after deducting relevant expenses (if any). The management fee is exclusive of VAT.</p> <p>2) CIMBF would share part of its ECM fees from acting as an underwriter to CIMB Thai as a management fee in an amount equal to 48.25% of total ECM fees that CIMBF received after deducting relevant expenses (if any). The management fee is exclusive of VAT.</p> <p>This transaction is considered the Bank's normal business support under general trading terms.</p>	<p>The Board of Directors' meeting no. 1/2015 held on 23 January 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought benefits to the Bank in terms of additional fee income and establishing relationship with the clients for the Bank's future business opportunities. Therefore, the execution of this transaction was reasonable and supported the Bank's normal business under general trading terms.</p>
<p>CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder</p> <p>CIMB Bank Berhad (CIMB Bank), the major shareholder of the Bank holding 93.71% of the Bank's total issued and paid-up shares</p>	<p>The Board of Directors' meeting no. 13/2013 held on 17 December 2013 approved the Bank to enter into the related party transaction with CIMB Bank for a license fee payment of Factset Research System database for a period of three years (from January 2013 to December 2016). In this regard, CIMBST had paid such fee in the amount of USD 6,750 on behalf of CIMB Thai for the year 2014. CIMBST's charge</p>	<p>The Board of Directors' meeting no. 2/2015 held on 25 February 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms.</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
	<p>back of such amount to CIMB Thai is considered a related party transaction that can be referred to the Board's earlier approval in December 2013. The Bank did not calculate the related party transaction size based on the regulatory requirements because it would be a double counting with the previous calculation.</p> <p>This transaction is considered the Bank's normal business support under general trading terms.</p>	
<p>iCIMB MSC, a wholly owned subsidiary of CIMB Holdings which is a subsidiary having CIMB Group as the indirect major shareholder</p>	<p>The Bank has used CIMB Group's IT-related services through CIMB Bank Malaysia since 2009 under IT outsourcing service agreements signed by both parties. As CIMB Bank Malaysia advised that iCIMB MSC would manage all its IT outsourcing services agreements with its related parties concerned and that future contracting party from CIMB Group would be managed through iCIMB MSC, with all terms and conditions remaining unchanged.</p> <p>This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 3/2015 held on 26 March 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since the change of contract party to iCIMB MSC was done under unchanged service terms and conditions, and it was the Bank's normal business support.</p>
<p>CIMB Islamic Bank Berhad, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank</p>	<p>The Bank has operated the international transfer via \$speed\$end by cooperating with CIMB Islamic Bank Berhad. \$speed\$end was launched in Thailand with ten corridors in November 2012. To support customer need of account crediting/ debiting, the Bank has provided additional services of money transfer via bank account and CIMB Clicks to enhance key feature of account crediting to gain competitive advantage over competitors, to support customer need in account crediting/ debiting and to gain additional revenue in 2015 of THB 1.3 million from feature and CIMB Clicks extension.</p> <p>This transaction is considered the Bank's normal business under general trading terms.</p>	<p>The Board of Directors' meeting no. 3/2015 held on 26 March 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business having fair market price and similar trading terms to the transactions with outsiders. Furthermore, the transaction brought benefits to the Bank.</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder	The Bank has collaborated with CIMBST in the Stock Exchange of Thailand (SET)'s 2015 Banker to Broker project. Currently, the Bank has had fee income from referring customers to CIMBST. Given the well response, the SET and CIMBST have provided additional rewards for the Bank's referring frontline staff. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it supported the provision of rewards to frontline staff and caused no damage to the Bank.
CIMB Malaysia, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	The Bank has worked on the development of an execution plan for Thailand Digital Sales Enablement (DSE) which moved CIMB towards a Regional Operating Model. The cost of this program was allocated to CIMB Thai at 6.25% of total costs of consulting fee or USD 212,000 to be paid to CIMB Malaysia by 2015. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it would help expand the customer base, was reasonable and brought benefits to the Bank.
CIMB-Principal Asset Management Co., Ltd. (CPAM), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank.	The Bank has renewed the insourcing service agreement with CPAM for one year (from 15 April 2015 to 14 April 2016), with service areas covering information technology and human resources. The estimated revenue in 2015 was THB 1,060,000. This transaction is considered the Bank's normal business support under general trading terms.	The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support and brought benefits to the Bank.
Sathorn Asset Management Co., Ltd. (STAMC), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	The Bank has approved the review of service fee rates on insourcing services provided to STAMC in five areas, including information technology, human resources, credit operations, accounting finance & tax, and internal audit. The service period was four years and due to expire on 24 December 2015. In 2015, the Bank has generated income of approximately THB 10.87 million from such transaction. This transaction is considered the Bank's normal business support under general trading terms.	The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms and brought benefits to the Bank.

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
CIMB Bank, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	On 30 July 2011, the Board of Directors endorsed 1P payback to CIMB Bank at the rate of THB 135.13 per new account opened. Subsequently on 29 November 2012, a revised 1P payback rate of THB 107.9 per new account opened was duly approved by the Board of Directors, valid for the first three years (from April 2012 to March 2015). Both parties agreed to revise the rate at the end of the third year. As the agreement to use THB 107.9 per new account opened expired on 18 March 2015, it was requested to extend such rate for another year. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support.
CIMB-Principal Asset Management Co., Ltd. (CPAM), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank.	The Board of Directors' meeting no. 11/2014 approved the investment products purchase transaction with CPAM via CIMB Thai credit card for a period of three months, i.e. by the first quarter of 2015. The Bank has requested for approval of the continuation of such service with effect from 31 March 2015 and the fee of THB 100 per transaction. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 5/2015 held on 28 May 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction because it was the Bank's normal business support.
CIMB Group, the indirect major shareholder of the Bank	The Bank has used the Penetration Test or PenTest service of CIMB Group to test system hacking, with the service fee of THB 1,937,720. This transaction is considered the Bank's normal business support under general trading terms.	The Board of Directors' meeting no. 6/2015 held on 26 June 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms.
CIMB Bank Berhad (CIMB Bank), the major shareholder of the Bank holding 93.71% of the Bank's total issued and paid-up shares	The Bank has outsourced the development of Regional Corporate Model which was a credit risk model from CIMB Bank Berhad. CIMB Bank Berhad would only charge fees for the service rendered only if it was not a part of the Bank Negara Malaysia's requirement	The Board of Directors' meeting no. 6/2015 held on 26 June 2015 (excluding CIMB Bank's representatives who have conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
	for CIMB Bank Berhad to comply with to meet the Basel II IRB approach. This transaction is considered the Bank's normal business support.	was the normal business support.
Senior Executive Vice President who is the Bank's management	The Bank has approved a sale of positional car to two resigning employees at a corporate title of Senior Executive Vice President, which was in compliance with the Bank's regulation as follows: 1 Mr. Narongchai Wongthanavimok, Senior Executive Vice President, Strategy and Finance Group at THB 1,700,000 (VAT included) 2. M.L. Natchanya Davivongse, Senior Executive Vice President, Transaction Banking Group at THB 1,800,000 (VAT included). These transaction is considered relating to the Bank's assets or services.	The Board of Directors' meeting no. 7/2015 held on 29 July 2015 deemed it proper to approve the transaction since it was in line with the Bank's regulation and caused no disadvantage to the Bank as the selling prices were based on the market prices and value assessment, and it was a transaction relating to the Bank's assets or services.
CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder	The Bank has been the underwriter of CIMBST Equity-Linked Structure Debenture (ELN), with an underwriting fee not being more than 3.0% of ELN's notional amount. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 8/2015 held on 27 August 2015 (excluding CIMB Bank's representative on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support.
iCIMB (MSC) Sdn Bhd, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	The Bank has outsourced IT service to iCIMB (MSC) Sendiran Berhad, using Reuters Electronic Trading - Automated Dealing System which was an FX online trading platform embedded in the Bank's website. The annual fee was MYR 145,462. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 8/2015 held on 27 August 2015 (excluding CIMB Bank's representative on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought benefits to the Bank and was the Bank's normal business support.
CIMB Investment Bank Berhad, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank iCIMB (MSC) Sdn Bhd, a subsidiary of CIMB Group which is the indirect major shareholder	The Bank has outsourced IT service to iCIMB (MSC) Sdn Bhd, using Regional Corporate Client Solution (CCS) - 1 View System. The annual service fee was MYR 233,143 in 2016, MYR 248,569 in 2017, and MYR 249,284 from 2018 onwards.	The Board of Directors' meeting no. 9/2015 held on 27 September 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
of the Bank	This transaction is considered the Bank's normal business support.	this matter) deemed it proper to approve the transaction since it brought the benefits and caused no damage to the Bank and was the Bank's normal business support.
Sathorn Asset Management Co., Ltd. (STAMC), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	<p>The Board of Directors' meeting no. 8/2015, held on 27 August 2015, approved the sale of non-performing loans (NPLs) to STAMC on condition that the selling value must obtain prior concurrence from the Audit Committee and approval from the Board of Directors.</p> <p>The Board of Directors approved a sale of the Bank's NPLs to STAMC in the amount of THB 223 million. The final payments might be adjusted based on the amount of loans pulled out by the Bank or pulled back by the buyer in accordance with TOR.</p> <p>This transaction is considered relating to the Bank's assets or services.</p>	<p>The Board of Directors' meeting no. 9/2015 held on 27 September 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought benefits to the Bank and was relating to the Bank's assets and services.</p>
CIMB Bank Berhad (CIMB Bank), a major shareholder of the Bank holding 93.71% of the Bank's total issued and paid-up shared	<p>The Bank has outsourced Regional Securities and Futures Rating Model development to CIMB Bank Berhad.</p> <p>CIMB Bank Berhad would only charge fees for the service rendered if it was not part of the Bank Negara Malaysia's requirement for CIMB Bank Berhad to comply with to meet the Basel II IRB approach.</p> <p>This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 11/2015 held on 27 November 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought the benefits to the Bank and was the Bank's normal business support.</p>
Sathorn Asset Management Co., Ltd. (STAMC), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	<p>The Bank has provided insourcing services to STAMC in five areas, including information technology, human resources, credit operations, accounting finance and tax, and internal audit. The service period was four years and due to expire on 23 December 2015 with the requirement of annual review and revision of the service fee.</p> <p>The Board has approved the renewal of the insourcing service provision to STAMC for another three years with expiry date on 31 December 2018. The service fee rate for the insourcing</p>	<p>The Board of Directors' meeting no. 12/2015 held on 18 December 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms and brought benefits to the Bank.</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
	services provided to STAMC was totaling THB 8.98 million. This transaction is considered the Bank's normal business support under general trading terms.	

- Loans, Deposits and Contingent Liabilities

- a. Loans, contingent liabilities and deposits associated with businesses in which the Bank and its subsidiary companies, or directors or executives from the level of executive vice president upwards, hold 10% or more of their paid-up capital were as follows:

(Unit: THB million)

Company name	31 December 2015					
	Contingent liabilities	Outstanding loans / Investments in receivables	Deposits	Borrowings	% shares holding	Joint management
<u>Parent Company</u>						
CIMB Bank Berhad	133	-	-	43	93.71	-
Interest rate swap contracts	23,062	-	-	-		
- Fixed rate payee	93,016	-	-	-		
- Floating rate payee	807	-	-	-		
Forward and spot contracts	66	-	-	-		
- Bought						
- Sold	4,134	-	-	-		
Cross currency and interest rate swap contracts	1,804					
- Bought	100	-	-	-		
- Sold	130	-	-	-		
Swaption						
- Sold						
Commodity						
- Bought						
<u>Subsidiary companies</u>						
Center Auto Lease Co.,Ltd.	-	16,353	123	-	99.99	Directors with delegated signature authority: Mr. Surachai Chitratsene Ms. Sasima Thongsamak

Company name	31 December 2015					
	Contingent liabilities	Outstanding loans / Investments in receivables	Deposits	Borrowings	% shares holding	Joint management
CT COLL Co.,Ltd.	-	6	96	-	99.99	Directors with delegated signature authority: Mr. Adisorn Sermchaiwong Ms. Onanong Udomkantong Ms. Sasima Thongsamak Mr. Goh Therd Siang
Worldlease Co., Ltd.	-	2,671	66	-	99.99	Directors with delegated signature authority: Mr. Adisorn Sermchaiwong Ms. Onanong Udomkantong
<u>Company under common control</u> Sathorn Asset Management Co., Ltd.	-	-	265	-	-	Directors: Mr. Subhak Siwaraksa Mr. Surachai Chitratsene Ms. Onanong Udomkantong
Related persons	-	11	576	-	-	-

The Bank pays interests on deposits made by related parties at the normal rates applicable to general depositors.

- b. The Bank is not aware of any person with potential conflicts of interest and holding more than 5% of voting shares in any of the Bank's subsidiaries or associated companies.

- Justification of related party transactions

Loans and contingent liabilities associated with directors or executives from the level of executive vice president upwards are subject to interest charges under the Bank's employee benefits scheme.

Loans, contingent liabilities and deposits associated with businesses in which the Bank or its subsidiary companies, or directors or executive officers from the level of executive vice president upwards, hold 10% or more of their paid-up capital were transferred to the Bank under the merger process, or have undergone debt restructuring. These loans which include some new loans have been concluded on commercial terms agreed upon in the ordinary course of business between the Bank and the parties concerned, and are subject to market interest rates.

- Procedures for approving related party transactions and safeguarding shareholders' interest

According to the Bank's Articles of Association, all related party transactions are subject to a formal approval process, including the analysis and approval of the relevant Committees, Audit Committee and

Board of Directors. Executives or directors with material interest in any transaction are not allowed to take part in the decision-making process.

- Trends in related party transactions

Related party transactions include those relating to the Bank's business functions and are subject to the formal approval process in place and the criteria of the relevant regulatory bodies. There is a strong probability that related party transactions will continue to be an integral part of the Bank's business, and will be governed by clearly defined review and approval procedures and practices.