

Part 2: Management and Corporate Governance**7. Bank's Securities and Shareholders****7.1 Bank's securities****7.1.1 Bank's capital**

As of December 31, 2020, the Bank's registered capital was THB 100,912,374,754.35 of which THB 91,588,946,036 was paid up, comprising Ordinary shares 96,409,416,880 shares at par value of THB 0.95/share.

7.1.2 Thai Trust Fund

As of December 31, 2020, Thai Trust Fund was no longer issued by the Bank.

7.1.3 The number of shares or impacts on shareholders' voting rights from the issuance of Non-Voting Depository Receipt (Non-Voting depository receipt - NVDR)

Non-Voting Depository Receipt (NVDR) is a trading instrument issued by Thai NVDR Co., Ltd., a subsidiary wholly owned by Stock Exchange of Thailand (SET). By investing in NVDRs, investors will receive all financial benefits including dividends, right issues or warrants, as if they had invested in a company's ordinary shares. Unlike ordinary shareholders, NVDR holders are not entitled to voting rights in a shareholders' meeting except for the case of voting to pass a resolution concerning the delisting of shares from the SET. If the Bank's shares are issued as NVDRs in a great number, its shares with voting rights will decrease and the voting rights of other shareholders will increase.

As of July 9, 2020, the latest share register closing date, Thai NVDR Co., Ltd. issued NVDRs with the Bank shares as reference asset amounting to 4,155,143,413 shares or 4.31% of the Bank's issued and paid-up ordinary shares. However, the issuance of NVDR securities does not fall within the realm of the Bank's control. Investors may check the information on NVDR shares from website of the SET at www.set.or.th/nvdr.

7.1.4 Other securities

As of December 31, 2020, details of the Bank's other securities are summarized as follows:

Type	Interest rate (%)	Year of redemption	Collateral	Number and value not yet redeemed (as of December 31, 2020)	Bondholder's representative	Other conditions
1. Subordinated bond (TMB27NA) (Date of issue : May 29, 2017, worth THB 5,430 million)	Fixed interest rate of 3.50% per annum, payable quarterly.	November, 2027	Unsecured	5.43 million units THB 5,430 million	-	The Bank may proceed an early redemption of the whole amount of bond upon the approval from the Bank of Thailand under one of the following conditions: 1. On or after 5.5 years of the issue date. 2. Having any changes in Tax laws affecting the issuer's tax benefits. 3. Changing in regulations on the qualified Tier II debt securities which disqualifies the existing Tier II debt securities. 4. BOT's supplementary conditions. However, the redemption date must be valued on interest payment date.

Type	Interest rate (%)	Year of redemption	Collateral	Number and value not yet redeemed (as of December 31, 2020)	Bondholder's representative	Other conditions
2. Subordinated bond (TMB296A) (Date of issue : June 28, 2019, worth THB 30,000 million)	Fixed interest rate of 4.00% per annum, payable quarterly.	June, 2029	Unsecured	30 million units THB 30,000 million		The Bank may proceed an early redemption of the whole amount of bond upon the approval from the Bank of Thailand under one of the following conditions: 1. On or after 5 years of the issue date. 2. Having any changes in Tax laws affecting the issuer's tax benefits. 3. Changing in regulations on the qualified Tier II debt securities which disqualifies the existing Tier II debt securities. 4. BOT's supplementary conditions. However, the redemption date must be valued on interest payment date
3.Senior USD Bond (Date of issue : April 1, 2016, worth USD 250 million)	Fixed interest rate of 3.108% per annum, payable semi- annually.	October, 2021	Unsecured	1,250 units USD 250 million (Equivalent to THB 7,509 million)	The Hongkong and Shanghai Banking Corporation	Issued under the Bank's Euro Medium Term Note Programme

Type	Interest rate (%)	Year of redemption	Collateral	Number and value not yet redeemed (as of December 31, 2020)	Bondholder's representative	Other conditions
4.Senior Bond (Green Bond) (Date of issue : June 5, 2018, worth USD 60 million)	Floating interest rate of 6M Libor + 1.05% per annum, payable semi-annually.	June, 2025	Unsecured	1 unit USD 60 million (Equivalent to THB 1,802 million)	-	The proceeds from Green Bond issuance will be used to fund the green loan to private sector.
5.Senior Bond (SME Bond) (Date of issue : December 17, 2018, worth USD 90 million)	Floating interest rate of 6M Libor + 1.05% per annum, payable semi-annually.	December, 2025	Unsecured	1 unit USD 90 million (Equivalent to THB 2,703 million)	-	The proceeds from SME Bond issuance will be used to support small and medium sized enterprises.
6.Senior Euro Bond (Date of issue : November 11, 2019, worth EUR 150 million)	Fixed interest rate of 0.22% per annum, payable semi-annually.	November, 2021	Unsecured	150 thousand units EUR 150 million (Equivalent to THB 5,531 million)	-	Issued under the Bank's FCY Medium Term Note Programme
7.Senior Euro Bond (Date of issue : November 11, 2019, worth EUR 70 million)	Fixed interest rate of 0.48% per annum, payable semi-annually.	November, 2022	Unsecured	70 thousand units EUR 70 million (Equivalent to THB 2,581 million)	-	Issued under the Bank's FCY Medium Term Note Programme

Type	Interest rate (%)	Year of redemption	Collateral	Number and value not yet redeemed (as of December 31, 2020)	Bondholder's representative	Other conditions
8.Senior Euro Bond (Date of issue : November 13, 2019, worth EUR 155 million)	Fixed interest rate of 0.85% per annum, payable semi-annually.	November, 2024	Unsecured	155 thousand units EUR 155 million (Equivalent to THB 5,716 million)	-	Issued under the Bank's FCY Medium Term Note Programme
9. Senior Euro Bond (Date of issue : March 24, 2020, worth EUR 220 million)	Fixed interest rate of 0.25% per annum, payable semi-annually.	March, 2021	Unsecured	220 thousand units EUR 220 million (Equivalent to THB 8,113 million)	-	Issued under the Bank's FCY Medium Term Note Programme
10. Senior Euro Bond (Date of issue : March 25, 2020, worth EUR 200 million)	Fixed interest rate of 0.25% per annum, payable semi-annually.	March, 2021	Unsecured	200 thousand units EUR 200 million (Equivalent to THB 7,375 million)	-	Issued under the Bank's FCY Medium Term Note Programme
11. Additional Tier 1 (Date of issue : December 2, 2019, worth USD 400 million)	Fixed interest rate of 4.90% per annum, payable semi-annually.	Perpetual	Unsecured	400 thousand units USD 400 million (Equivalent to THB 12,015 million)	The Hongkong and Shanghai Banking Corporation	- Issued under the Bank's Euro Medium Term Note Programme - Issuer may proceed an early redemption at the fifth year of the issue date or any interest payment date after the fifth year of the issue date, all redemptions are subject to BOT approval.

7.2 Major shareholders

7.2.1 List of 10 largest shareholders and proportion of shareholding

The list of the 10 largest shareholders at the latest share register closing date on July 9, 2020 was shown as below,

Major shareholders	Number of ordinary shares	%
1. ING Bank N.V.	22,190,033,791	23.03
2. THANACHART CAPITAL PUBLIC COMPANY LIMITED	19,389,891,967	20.12
3. MINISTRY OF FINANCE	11,364,282,005	11.79
4. VAYUPAK FUND1*	9,852,811,315	10.23
5. THE BANK OF NOVA SCOTIA	5,023,611,111	5.21
6. THAI NVDR	4,155,143,413	4.31
7. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	1,556,832,944	1.62
8. GIC PRIVATE LIMITED	842,598,099	0.87
9. STATE STREET EUROPE LIMITED	788,884,929	0.82
10. MILITARY GROUP **	784,612,673	0.81

Major shareholders consists of ING Bank N.V. 23.03%, Thanachart Capital PCL 20.12%, Ministry of Finance 11.79% and Vayupak Fund1* 10.23% (Current unit holders of Vayupak Fund1 are Ministry of Finance and may also consist of other government units)

**Included Royal Thai Army, Thai Navy, Thai Air Force, Military Units and RTA Entertainment Plc.

7.3 Agreements between the Bank and business alliance

7.3.1 Agreement between the Bank and FWD Life Insurance Plc (FWD Life)

In 2020, After negotiations between FWD Life Insurance Public Company Limited (FWD), the previous bancassurance partner of TMB, and Prudential Life Assurance (Thailand) Public Company Limited (Prudential), the previous bancassurance partner of TBANK, a mutual conclusion has been reached that Prudential agreed to acquire the rights to sell the life insurance products through TMB from FWD and the bancassurance agreement between has revised to reflect the new partnership. Prudential will have the exclusive rights to sell the life insurance products through the network of TMB, TBANK and subsequently the merged bank after the entire business transfer for an initial term of 15 years, with effect on and from 1 January 2021.

For this transaction, TMB recorded income of THB 1.3 bn in 2020 and will gradually record revenue worth approximately THB 20.8 bn throughout the combined initial term and transition period, starting April 2020. In addition, TMB has stopped the recognition of revenue from FWD under the old bancassurance agreement, started from 1 April 2020 with no impact to TMB's recognized revenue of THB 4.4 bn (during the period between 1 January 2017 and 31 March 2020 according to previous agreement).

Strategic Collaboration

By virtue of this collaboration, TMB and Prudential, each having extensive expertise and experience in life insurance business, strongly aim to jointly expand their bancassurance businesses in order to offer the best quality life insurance products in the market and to ameliorate their customers' financial position.

7.3.2 Agreement between the Bank and Asset Management Company

Since April 2014, the Bank has set a long-term policy to have an open-architecture platform which offers a wide variety of mutual fund products in order to match various client needs and risk-return profiles. In July 2018, TMB announced partnership with Eastspring Investment, lead asset management in Asia, and the Bank agreed to sell 65% stake in TMBAM for a partnership with Eastspring. Partnering with Eastspring is in line with the Bank mutual fund open architecture strategy. It will also help enhance capabilities of TMBAM to provide with more variety of products and and uplifted services to better serve customers. In 2019, TMB has added Thanachart Fund on open-architecture platform as a result, the Bank is the selling agent of 11 Asset Management Companies including TMB Asset Management Co. Ltd., UOB Asset Management Co. Ltd., Aberdeen Asset Management Co. Ltd., CIMB-Principal Co. Ltd. , Manulife Asset Management Co. Ltd, Tisco Asset Management, One Asset Management Ltd, Kasikorn Asset Management Co. Ltd, Krungsri Asset Management Co. Ltd, Krungthai Asset Management Co. Ltd, and Thanachart Fund Management Co., Ltd. This enables TMB to offer a broader range of products and asset classes to its customers.

The Asset Management Company appoints the Bank as a Selling Agent for selling, repurchasing and switching the unit trust and provides advisory service under the Distribution Agent Agreement following the SEC regulations and other applicable laws.

7.4 Dividend payment

7.4.1 The Bank's policy

The Bank has set out a policy on the dividend payment from financial statements (Bank only). The dividend payment is subject to the Bank's operating performance, the long term benefits to the Bank's shareholders, the Bank's capital adequacy and reserve requirements as well as the relevant legal conditions and BOT's Notification. In addition, the dividend payment must comply with the Bank's Articles of Association number 43 which states that dividend shall not be paid other than out of profits, and if the Company still has accumulated losses, no dividend shall be paid.

7.4.2 Policy of subsidiary companies

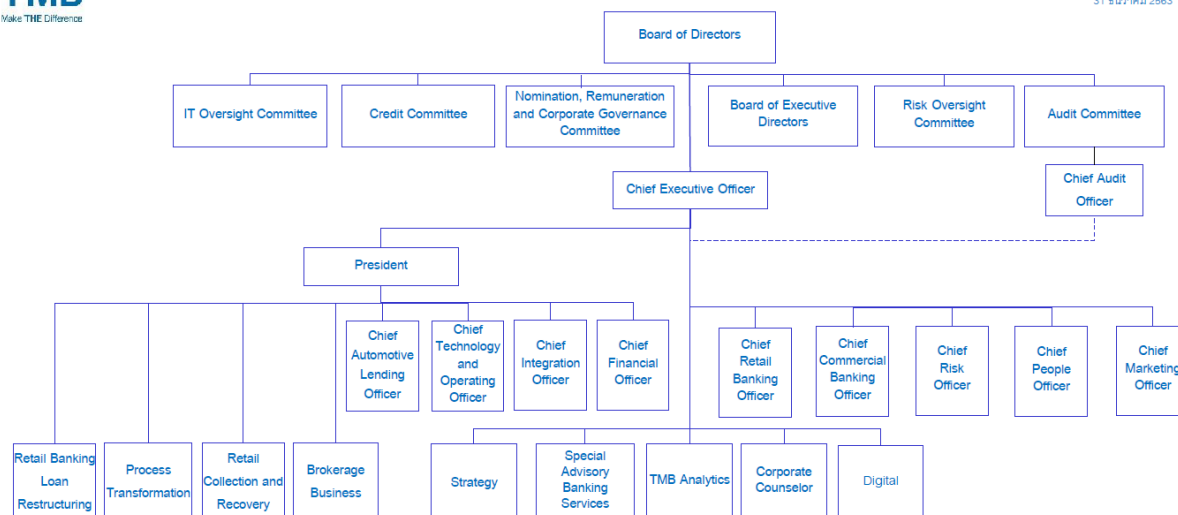
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The Asset Management Company appoints the Bank as a Selling Agent for selling, repurchasing and switching the unit trust and provides advisory service under the Distribution Agent Agreement following the SEC regulations and other applicable laws.

8. Management

8.1 Organization Chart

As of December 31, 2020


 31 December 2020
 31 ธันวาคม 2563


8.2 Board of Directors

The Board of Directors as of December 31, 2020 consisted of 14 members, 8 holding non-executive directors positions (1 director* during replacement process), 5 independent directors, and 1 holding executive director position.

Name	Position	Date of Appointment	Term of Office (Year-Month)
1. Mr. Ekniti Nitithanprapas ¹	Chairman of the Board	February 13, 2020	11 months
2. Mr. Suphadej Poonpipat	- Vice Chairman - Vice Chairman of the Board of Executive Directors	December 3, 2019	1 year 1 month
3. Mr. Philippe G.J.E.O. Damas	- Director - Chairman of the Board of Executive Directors - Chairman of the Nomination, Remuneration and Corporate Governance Committee	December 28, 2007	13 years
4. Mr. Praisun Wongsmith	- Independent director - Chairman of the Audit Committee	February 12, 2016	4 years 11 months
5. Mr. Willem Frederik Nagel	- Independent director - Chairman of the Risk Oversight	April 23, 2020	8 months

Name	Position	Date of Appointment	Term of Office (Year-Month)
	Committee - Member of the Nomination, Remuneration and Corporate Governance Committee - Member of the IT Oversight Committee		
6. Mr. Chumpol Rimsakorn	- Director - Chairman of the Credit Committee - Member of the Board of Executive Directors - Member of the Nomination, Remuneration and Corporate Governance Committee	April 7, 2017	3 years 9 months
7. Mr. Teeranun Srihong	- Independent director - Chairman of the IT Oversight Committee - Member of the Risk Oversight Committee - Member of the Nomination, Remuneration and Corporate Governance Committee	December 17, 2019	1 year 0.5 months
8. Mr.Yokporn Tantisawetrat	- Director - Member of the Risk Oversight Committee - Member of the Credit Committee	June 1, 2015	5 years 7 months
9. Mr. Somjate Moosirilert	- Director - Member of the Board of Executive Directors - Member of the Nomination, Remuneration and Corporate Governance Committee	December 3, 2019	1 year 1 month
10. Mr. Michal Jan Szczurek	- Director - Member of the Board of Executive Directors	December 17, 2019	1 year 0.5 month

Name	Position	Date of Appointment	Term of Office (Year-Month)
	Member of the IT Oversight Committee		
11. Mr. Prinya Hom-anek	- Independent director - Member of the Audit Committee - Member of the Risk Oversight Committee - Member of the IT Oversight Committee	December 17, 2019	1 year 0.5 month
12. Mrs. Chananyarak Phetcharat	- Independent director - Member of the Audit Committee - Member of the IT Oversight Committee	April 1, 2020	9 months
13. Mr. Piti Tantasem	- Director - Member of the Board of Executive Directors - Member of the Risk Oversight Committee - Member of Credit Committee - Member of the IT Oversight Committee - Chief Executive Officer	January 1, 2018	3 years

Remark:

* The bank is under process to nominate person to replace General Nattaphon Nakphanit who resigned from director effective from October 1, 2020

Average term of office for every director in Board of Directors is 2 Years 8 months

Mr. Kiangkrai Phurivitvattana is Secretary to the Board.

The Board meeting shall be held at least once a month, the meeting shall be held on the last Thursday of every month. In case of an urgent case, the Board can arrange a special meeting as deemed necessary.

Amendment of Directors Authorized to Sign to Bind the Bank

Mr. Piti Tantasem, Chief Executive Officer, authorized to sign with the Bank's seal affixed.

Principles for Directors

1. Understand and execute their oversight role, including understanding the Bank's risk appetite.

2. Exercise their fiduciary duty, duty of loyalty, and duty of care to the Bank under applicable Thai laws and supervisory standards.

3. Avoid conflicts of interest and the appearance of such conflicts, and institute and enforce measures to monitor and avoid potential conflicts by the Bank's personnel in dealings with other persons and organizations.

4. Commit sufficient time and energy to fulfilling their responsibilities.

5. Avoid direct participation in day-to-day management of the Bank except executive director.

6. Secure information from management to enable the Board to fulfill its functions. It is the Board's responsibility to decide what information it wants.

7. Excuse themselves from decisions when they themselves or someone related to or connected with them have a conflict of interest.

8. Provide oversight of the senior management of the Bank by exercising their duty and authority to question and insist upon straightforward explanations from management and receive on a timely basis sufficient information to judge the performance of management.

9. Ensure that the Bank's confidential information and customer information is not given either inadvertently or deliberately to third parties and shall not use the information to seek gains without the Bank's consent or permission by law.

Roles and Responsibilities of the Board of Directors

The Board has delegated the management and day to day running of the Bank to the Chief Executive Officer including implementation of the strategy approved by the Board. The Board plays an important role in determining policies and overseeing the Bank to ensure appropriate and adequacy process and resources to enable operations in accordance with those policies, and to ensure monitoring, control, and audit of the implementation. In addition, The Board approves vision, mission, and strategy and ensure that vision, mission, and strategy are implemented by management. The Board shall review vision, mission, and strategy annually according to the change of economy and business competition. The other authorities and duties of the Board are as follows:

1. Strategy and Policy

1. Approve, monitor and update the overall business strategies of the Bank, including on risk governance, risk, sustainability and culture.

2. Approve overall budget, and risk appetite.

3. Safeguard the longer-term value of the Bank, which include the brand and corporate reputation.

4. Approve all credit limits for amounts in excess of the amount delegated to other board committees or management, which delineates cascading levels of authorities.

5. Approve all other risk limits and policies as prescribed by the Bank of Thailand and other relevant regulators.

6. Determine a calendar each year that sets forth and schedules the issues to be discussed by the Board during the year. Substantive issues such as strategy, financial performance and progress against budget and operational plans, capital planning, actual risk profile, Chief Executive Officer's performance evaluation and operational oversight issues such as product approval process should be prioritized over formalistic issues.

7. Approve the authority or the delegation of authority to approve credit, market risk limits, acquisitions, disposals, investments, or realization or creation of a new venture.

8. Ensure that the policies adopted by the Bank apply to and are implemented by each of its subsidiaries, or that each subsidiary adopt and implement policies of equivalent effectiveness.

2. Compliance

1. Oversee management's actions and consistency with Board policies as part of the checks and balances embodied in sound corporate governance.

2. Oversee Bank operation to provide fair service to customers.

3. Ensure and oversee a proper and efficient whistleblowing policy and procedure.

4. Meet regularly with senior management to review policies, establish communication lines and monitor progress toward corporate objectives.

5. Promote Bank safety and soundness, understand the regulatory environment and ensure the Bank maintains an effective relationship with its regulators.

6. Provide sound advice to management and recommend sound practices gleaned from other situations.

7. Review and, where permissible or required under applicable regulations, consider approval of connected transactions as prescribed by the Securities and Exchange Commission and related party credit limits as prescribed by the Bank of Thailand.

8. Oversee Bank disclosure of significant corporate governance to shareholder's meeting and public in order to strengthen the bank's good corporate governance.

9. Preside over the business in compliance with the Bank Objectives, Articles of Association and follow the shareholder's resolution

10. Oversee a delegation of authority or the lower delegation to operate the bank's business according to the Board's resolution

3. Organization

1. Organize the Board and its committees in a way that promotes efficiency and strategic discussion.

2. Establish certain specialized committees to assist the Board in its oversight function and to advise the Board on issues requiring specific technical expertise.

3. Periodically assess the effectiveness of its own governance practices, including nomination and election of Board members and management of conflicts of interest, determining where weaknesses exist, and making changes as necessary.

4. Develop and maintain an appropriate level of expertise as the Bank grows in size and complexity.

5. Select, monitor and where necessary replace key executives, while ensuring that the Bank has an appropriate plan for executive succession and that any intended successor(s) will be qualified, fit and proper to manage the affairs of the Bank.

6. Select, evaluate and determine the compensation of the Chief Executive Officer as well as certain key senior executives.

7. Ensure that Bank's compensation and benefits programs are appropriate and consistent with the strategic objectives and are compliant with relevant regulations.

8. Continuously review the internal structure of the Bank to ensure that there are clear lines of accountability for management throughout the organization.

8.3 Executives

As of December 31, 2020, the Bank's executives as defined by the Bank and align with definition of SEC are comprised of 39 persons as follows:

No	Name-Surname	Position
1	Mr. Piti Tantakasem	Chief Executive Officer (CEO)
2	Mr. Praphan Anupongongarch ⁽¹⁾	President
3	Mr. Senathip Sripaipan	Chief Commercial Banking Officer (CCBO)
4	Mr. Anuwat Luengtaweekul ⁽¹⁾	Chief Retail Banking Officer (CRBO)
5	Mr. Johannes Franciscus Grisel	Chief Risk Officer (CRO)
6	Mrs. Prapasiri Kositthanakorn	Chief Financial Officer (CFO)
7	Mr. Markus Dolenga	Chief Technology and Operating Officer (CTOO)
8	Mrs. Vijitra Thumpothong ⁽¹⁾	Chief People Officer (CPO)
9	Mrs. Kanchana Rojvatuny ⁽¹⁾	Chief Marketing Officer (CMO)
10	Mr. Pompert Rasanon ⁽¹⁾	Chief Automotive Lending Officer (CALO)
11	Mrs. Pitimart Sanguansook ⁽²⁾	Chief Audit Officer (CAO)
12	Mr. Mate Kanokpibool	Financial Controller
13	Ms. Somkid Preechasammakul	Head of Finance Business Partner
14	Ms. Pimolwan Puarattana-Aroonkorn	Head of Finance Business Partner - CCBO
15	Mr. Thawatchai Trongnamsukij	Head of Finance Business Partner - CRO
16	Ms. Jitrawadee Srivichit	Head of Finance Business Partner - Retail
17	Ms. Preediorn Klungnark	Head of Financial Business Partner - CFO, Corporate Function
18	Mr. Charnwit Akkarapattanakoon ⁽³⁾	Head of Finance Business Partner - Bank wide / Subsidiary and Managerial Report

19	Ms. Tharinee Totab ⁽³⁾	Head of Finance Business Partner - CALO
20	Ms. Somruetai Tantakitti ⁽⁴⁾	Head of Finance Business Partner - CIO
21	Mr. Andrew Kent Jan	Head of Balance Sheet Management
22	Mr. Chalermchai Paisithmongkol	Head of Central Treasury
23	Mrs. Voraluck Chokchaitam	Head of Asset and Liability Management
24	Mrs. Kwanhatai Sukhumtammarat	Head of Financial Application and Data Management
25	Ms. Waree Thanmongkolswad	Head of Financial Regulatory Management
26	Mrs. Suphavadee Wuthithien	Head of Regulatory Analysis - BoT Reporting
27	Mrs. Kamolmarn Staworn	Head of Regulatory Analysis - Financial Reporting
28	Mr. Prayut Boonlerd	Head of Accounting Control
29	Ms. Rochana Ratant-Ubol	Head of Financial Payment and Control
30	Ms. Siriphon Rattanaumphawan	Head of Financial Governance and Policy
31	Ms. Maline Laoitthi	Head of Finance Business Intelligence and Data Management Centre
32	Mr. Pichan Ruechuzed ⁽⁵⁾	Head of Tax Strategy & Compliance
33	Mr. Jaraschai Boworntammarat ⁽⁶⁾	Head of Finance Business Intelligence
34	Mr. Pakpoom Visawameteekul ⁽⁶⁾	Head of Capital and Balance Sheet Strategy
35	Mr. Surapong Chanthasittiporn ⁽³⁾	Head of Business Intelligence Finance Business Intelligence and Data Management Centre
36	Mrs. Pimchaya Thammasorn ⁽⁷⁾	Executive Finance Business Partner
37	Ms. Veeraya Mahakhan	Executive Finance Business Partner
38	Ms. Pinyada Yamsiri ⁽⁷⁾	Senior Finance Business Partner
39	Ms. Krittiya Rirklaunrit ⁽⁸⁾	Professional - Finance Business Partner

Remark

- (1) Appointment effective on January 1, 2020
 (2) Appointment effective on May 1, 2020
 (3) Appointment effective on July 1, 2020
 (4) Appointment effective on October 16, 2020
 (5) Appointment effective on September 1, 2020
 (6) Appointment effective on April 1, 2020
 (7) Appointment effective on August 1, 2020
 (8) Appointment effective on September 16, 2020

8.4 Company Secretary

The Board of Directors has appointed Mr. Naris Aruksakunwong to hold position of Company Secretary. (see more detail about education, work experience, and training course related to company secretary's function in attachment 1)

The Company Secretary's roles and responsibilities are to perform duty in compliance with laws and follow up activities of the Board of Directors and Board Committees, management, and the Bank's to be in line with relevant laws, regulations, and articles of association of the Bank. The Company Secretary is also to support the Board of Directors, board committee, management, and the Bank to implement operation in line with good corporate governance.

The Company Secretary has roles and responsibilities as follows:

1. For the Bank

1.1 To monitor and supervise the Bank's overall operation to comply with relevant laws and regulatory requirements including resolution of Board of Directors, resolution of annual general meeting of shareholders.

1.2 To file and keep the Bank's important documentation such as certificate, memorandum & articles of association, shareholder register, licenses and power of attorney, etc.

1.3 To push for guidelines so that the Bank shall formulate policies, comply with good corporate governance and conduct regular review.

1.4 To act as contact person of the Bank.

2. For the Board

2.1 To advise the Board of Directors and management on laws and regulations relevant to their duties

2.2 To oversee meetings of the Board and board committees established by the Board of Directors to be in line with laws, regulations, articles of association, charters, and best practices

2.3 To Manage to serve as the Board's secretary and board committees' secretary as assigned including Chief Executive Committee, record accurate and complete minutes, inform to relevant management the resolution and follow up the resolution implementation

2.4 To oversee the changes of directors and examine director's qualifications in case of appointment of new directors and director to replace director who resigned by rotation in line with regulatory requirements and the bank's strategy and business direction, including propose the issue to the Bank of Thailand for endorsement

2.5 To review director's qualifications during the directorship period to ensure that the qualifications are always in line with regulatory requirements

2.6 To oversee insider information and conflict of interest practices of directors

2.7 To facilitate directors' training and development

2.8 To provide Board's and Board Committees' performance assessment

2.9 To arrange Directors and Officers Liability Insurance (D&O Insurance) for the directors and management.

3. For the Shareholders

3.1 To conduct shareholders' meeting to be in line with laws, articles of association and good corporate governance principle, including perform duty of secretary to the shareholders' meeting.

3.2 To oversee the right of shareholders and create good relationship with shareholders.

8.5 Board of Directors' Meeting

In 2020, details of the meeting attendance of the Board of Directors and board committee members are as follows:

Name	Board of Directors	Board of Executive Directors	Audit Committee	Nomination, Remuneration Corporate Governance Committee	Risk Oversight Committee	Credit Committee	IT Oversight Committee
Total no. of meetings in 2020	16	25	13	12	14	21	10
1. Mr. Ekniti Nitithanprapas ⁽¹⁾	15/15						
2. Mr. Suphadej Poonpipat ⁽²⁾	16/16	25/25					
3. General Nattaphon Nakphanit ⁽³⁾	6/10						
4. Mr. Philippe G.J.E.O. Damas ⁽⁴⁾	14/16	25/25		12/12			
5. Mr. Singha Nikompun ⁽⁵⁾	4/4		4/4				
6. Mr. Prinya Hom-anek ⁽⁶⁾	16/16		12/13		14/14		10/10
7. Mr. Teeranun Srihong ⁽⁷⁾	16/16			12/12	14/14		10/10
8. Mr. Chumpol Rimsakorn ⁽⁸⁾	16/16	24/25		12/12		21/21	
9. Mr. Michal Jan Szczurek ⁽⁹⁾	16/16	25/25					10/10
10. Mr. Yokporn Tantisawetrat ⁽¹⁰⁾	16/16				14/14	20/21	
11. Mr. Praisun Wongsmith ⁽¹¹⁾	16/16		13/13				
12. Mr. Somjate Moosirilert ⁽¹²⁾	16/16	23/25		12/12			
13. Mr. Willem Frederik Nagel ⁽¹³⁾	11/12			6/8	8/8		5/7
14. Mrs. Chananyarak Phetcharat ⁽¹⁴⁾	11/12		9/9				7/8
15. Mr. Piti Tantakasem ⁽¹⁵⁾	16/16	25/25			13/14	20/21	9/10
Average of 2020 meeting attendance (%)	95.39%	98.00%	98.08%	95.00%	98.57%	96.83%	91.49%

Remarks: Directors who attended the meetings electronically were as detailed below:

⁽¹⁾ Mr. Ekniti Nitithanprapas

- The Board of Directors Meeting No. 4/2020

⁽²⁾ Mr. Suphadej Poonpipat

- The Board of Directors Meetings No. 1/2020 (Special Session), No. 3/2020 - No. 6/2020
- The Board of Executive Directors Meetings Special Session No. 1/2020, Special Session No. 2/2020, No. 5/2020 (Special Session), No. 6/2020 - 13/2020, No. 22/2020

⁽³⁾ General Nattaphon Narkphanit (resigned from directorship, effective from 1 October 2020)

- The Board of Directors Meetings No. 1/2020 (Special Session), No. 5/2020, No. 6/2020, No. 8/2020

⁽⁴⁾ Mr. Philippe G.J.E.O. Damas is a director who does not have residence in Thailand.

- The Board of Directors Meetings No. 4/2020 - 12/2020, No. 2/2020 (Special Session), No. 3/2020 (Special Session), No. 4/2020 (Special Session)
- The Board of Executive Directors Meetings No. 4/2020, Special Session No. 1/2020, Special Session No. 2/2020 No. 5/2020 (Special Session), No. 6/2020 - 23/2020
- The Nomination, Remuneration and Corporate Governance Committee Meetings No. 3/2020 - 12/2020

⁽⁵⁾ Mr. Singha Nikornpun (resigned from the independent director position, effective from 1 April 2020)

⁽⁶⁾ Mr. Prinya Hom-anek

- The Board of Directors Meetings No. 1/2020 (Special Session), No. 4/2020, No. 5/2020, No. 7/2020, No. 8/2020, No. 3/2020 (Special Session), No. 11/2020
- The Audit Committee Meetings No. 4/2020 - 8/2020, No. 11/2020
- The Risk Oversight Committee Meetings No. 1/2020 (Special Session), No. 2/2020 (Special Session), No. 4/2020 - 8/2020, No. 11/2020, No. 12/2020
- The IT Oversight Committee Meetings No. 3/2020, No. 4/2020, No. 1/2020 (Special Session), No. 5/2020, No. 2/2020 (Special Session)

⁽⁷⁾ Mr. Teeranun Srihong

- The Nomination, Remuneration and Corporate Governance Committee Meetings No. 3/2020, No. 4/2020, No. 6/2020 - 8/2020, No. 10/2020 - 12/2020
- The Risk Oversight Committee Meetings No. 1/2020 (Special Session), No. 4/2020, No. 7/2020 - 9/2020, No. 11/2020, No. 12/2020
- The IT Oversight Committee Meetings No. 5/2020

⁽⁸⁾ Mr. Chumpol Rimsakorn

- The Board of Directors Meetings No. 1/2020 (Special Session), No. 4/2020 - 6/2020, No. 8/2020
- The Board of Executive Directors Meetings Special Session No. 1/2020, No. 6/2020 - 15/2020
- The Nomination, Remuneration and Corporate Governance Committee Meetings No. 4/2020 - 8/2020
- The Credit Committee Meetings No. 1/2020 (Special Session), No. 4/2020 - 12/2020

⁽⁹⁾ Mr. Michal Jan Szczurek

- The Board of Directors Meetings No. 3/2020, No. 1/2020 (Special Session), No. 4/2020, No. 3/2020 (Special Session), No. 11/2020
- The Board of Executive Directors Meetings No. 4/2020, No. 6/2020, Special Session No. 1/2020, Special Session No. 2/2020, No. 7/2020, No. 8/2020, No. 11/2020, No. 16/2020, No. 22/2020
- The IT Oversight Committee Meetings No. 2/2020, No. 3/2020

⁽¹⁰⁾ Mr. Yokporn Tantisawetrat

- The Board of Directors Meeting No. 4/2020
- The Risk Oversight Committee Meetings No. 1/2020 (Special Session), No. 2/2020 (Special Session), No. 3/2020
- The Credit Committee Meetings No. 3/2020, No. 1/2020 (Special Session), No. 2/2020 (Special Session), No. 15/2020

⁽¹¹⁾ Mr. Praisun Wongsmith

- The Board of Directors Meeting No. 1/2020 (Special Session)
- The Audit Committee Meeting No. 3/2020

⁽¹²⁾ Mr. Somjate Moosirilert

- The Board of Directors Meetings No. 4/2020, No. 5/2020
- The Board of Executive Directors Meetings No. 5/2020 (Special Session), Special Session No. 1/2020, Special Session No. 2/2020, No. 7/2020 - 12/2020
- The Nomination, Remuneration and Corporate Governance Committee Meetings No. 4/2020 - 7/2020

⁽¹³⁾ Mr. Willem Frederik Nagel is a director who does not have residence in Thailand.

- The Board of Directors Meetings No. 4/2020 - 12/2020, No. 2/2020 (Special Session), No. 3/2020 (Special Session)
- The Nomination, Remuneration and Corporate Governance Committee Meetings No. 5/2020, No. 7/2020 - 11/2020
- The Risk Oversight Committee Meetings No. 5/2020 - 12/2020
- The IT Oversight Committee Meetings No. 4/2020, No. 1/2020 (Special Session), No. 5/2020, No. 2/2020 (Special Session), No. 7/2020

⁽¹⁴⁾ Mrs. Chananyarak Phetcharat

- The Board of Directors Meetings No. 5/2020, No. 7/2020
- The Audit Committee Meeting No. 5/2020
- The IT Oversight Committee Meetings No. 4/2020, No. 5/2020, No. 7/2020

⁽¹⁵⁾ Mr. Piti Tantakasem

- The Board of Directors Meetings No. 3/2020, No. 1/2020 (Special Session)
- The Board of Executive Directors Meetings No. 6/2020, Special Session No. 2/2020, No. 7/2020
- The Risk Oversight Committee Meetings No. 1/2020 (Special Session), No. 2/2020 (Special Session)
- The Credit Committee Meetings No. 1/2020 (Special Session), No. 2/2020 (Special Session)

8.6 Remuneration for directors and executives

8.6.1 Remuneration for directors

The Bank has fairly set the directors' remuneration criteria, compositions and amounts based on Fiduciary Duty at appropriate level. In addition, the directors' remuneration shall be in accordance with accountability and responsibility of the directors compared with the companies in the same industry and similar size.

In addition, directors' remuneration must be sufficient and attractive to nominate qualified directors and retain directors who has knowledge and capability to perform their duty and dedicate themselves to contribute to the Bank. The Nomination, Remuneration and Corporate Governance Committee has reviewed the directors' remuneration on an annual basis, and then propose to the Board for endorsement and also put it in agenda of the Annual General Meeting of Shareholders for approval annually.

Directors' remuneration criteria

1. Monthly fee consist of

1.1 Retaining fee = Director is entitled to the retaining fee for one position only.

1.2 Committee fee = Director is entitled to the committee fee for every board and committee that he/she sits on.

2. Attendance fee = Director is entitled to the attendance fee for every meeting where he/she is present.

Cash remuneration by committee is as follows;

		Remuneration (baht)		
		Retaining Fee	Committee Fee	Attendance Fee
		(Per Year)	(Per Year)	(Per Meeting)
Board of Directors	Chairman	1,800,000	1,800,000	40,000
	Vice Chairman	420,000	420,000	35,000
	Member	384,000	384,000	30,000
Board of Executive Directors	Chairman	1,440,000	1,440,000	40,000
	Vice Chairman	420,000	420,000	35,000
	Member	384,000	384,000	30,000
Audit Committee	Chairman	696,000	696,000	32,400
	Member	374,400	374,400	24,600
Nomination, Remuneration and Corporate Governance Committee	Chairman	696,000	696,000	32,400
	Member	374,400	374,400	24,600
Risk Oversight Committee	Chairman	696,000	696,000	32,400
	Member	374,400	374,400	24,600
Credit Committee	Chairman	696,000	696,000	32,400
	Member	374,400	374,400	24,600
IT Oversight Committee	Chairman	696,000	696,000	32,400
	Member	374,400	374,400	24,600

The directors who are the Bank's executives do not receive the remuneration according to the Bank's regulations. As well as, the representative directors who are the executives of ING Bank N.V. will not receive the remuneration under ING's policy.

In case additional remuneration is required for newly formed committees, the Board of Directors shall provide such remuneration and ensure that the total remuneration for the directors shall not exceed THB 45 million as approved by the shareholders' meeting.

In 2020, the Annual General Meeting of Shareholders has approved the distribution of directors' bonus at the rate 0.5 percent of dividend paid among the directors for 2019 operational performance and the Board be granted the authority to set up detail of the allocation. In this regard, the director who is the Bank's executive and the representative directors who are the executives of ING Bank N.V. will not receive the directors' bonus.

In 2020, the directors received remuneration for serving on the Board of Directors and other committees in a total amount of THB 38,711,000 and directors' bonus amount of THB 15,503,174.10 The details are as follows:

Name of directors	Details
1. Mr. Ekniti Nitithanprapas ⁽²⁾ (From 13 February 2020)	Received THB 3,900,000 for serving as the Chairman of the Board of Directors.
2. Mr. Suphadej Poonpipat (From 3 December 2019)	Received THB 2,695,000 for serving as a member of the Board of Directors and the Board of Executive Directors. Received THB 123,041.06 for directors' bonus.
3. General Nattaphon Nakphanit ^{(1) (3)} (From 30 May 2019 to 1 October 2020)	Received THB 756,000 for serving as a member of Board of Director. Received THB 861,287.45 for directors' bonus.
4. Mr. Philippe G.J.E.O. Damas	Received THB 5,768,800 for serving on the Board of Directors and as Chairman of the Board of Executive Directors and the Nomination, Remuneration and Corporate Governance Committee. Received THB 1,476,492.77 for directors' bonus.
5. Mr. Praisun Wongsmith ⁽⁴⁾	Received THB 2,487,600 for serving on the Board of Directors and as Chairman of the Audit Committee. Received THB 1,476,492.77 for directors' bonus.
6. Mr. Chumpol Rimsakorn	Received THB 4,710,000 for serving on the Board of Directors and as Chairman of the Credit Committee, member of the Board of Executive Directors and member of the Nomination, Remuneration and Corporate Governance Committee. Received THB 1,476,492.77 for directors' bonus.
7. Mr. Teeranun Srihong (From 17 December 2019)	Received THB 4,109,000 for serving on the Board of Directors and as Chairman of IT Oversight Committee, member of the Nomination, Remuneration and Corporate Governance Committee and member of the Risk Oversight Committee. Received THB 61,520.53 for directors' bonus.
8. Mr. Yokporn Tantisawetrat	Received THB 2,833,200 for serving on the Board of Directors and as member of the Risk Oversight Committee and member of the Credit Committee. Received THB 1,476,492.77 for directors' bonus.
9. Mr. Somjate Moosirilert (From 3 December 2019)	Received THB 2,991,600 for serving on the Board of Directors and as member of the Board of Executive Directors and member of the Nomination, Remuneration and Corporate Governance Committee. Received THB 123,041.06 for directors' bonus.

Name of directors	Details
10. Mr. Prinya Hom-anek (From 17 December 2019)	Received THB 3,256,800 for serving on the Board of Directors and as member of the Audit Committee, member of the Risk Oversight Committee and member of the IT Oversight Committee. Received THB 61,520.53 for directors' bonus.
11. Mrs. Chananyarak Phetcharat ⁽⁵⁾ (From 1 April 2020)	Received THB 1,861,200 for serving on the Board of Directors and as member of the Audit Committee and member of the IT Oversight Committee.
12. Mr. Singha Nikornpun ^{(1) (6)} (To 31 March 2020)	Received THB 693,600 for serving on the Board of Directors and as Chairman of the Audit Committee. Received THB 1,476,492.77 for directors' bonus.
13. Mr. Prasong Poontaneat ⁽¹⁾ (From June 20 2018 to 31 December 2019)	Received THB 2,214,739.17 for directors' bonus.
14. General Apirat Kongsompong ⁽¹⁾ (From 14 November 2018 To 3 May 2019)	Received THB 492,164.26 for directors' bonus.
15. Mr. Siripong Sombatsiri ⁽¹⁾ (To 16 December 2019)	Received THB 1,414,972.24 for directors' bonus.
16. Mr. Vaughn Nigel Richtor ⁽¹⁾ (To 3 December 2019)	Received THB 1,353,451.71 for directors' bonus.
17. Mr. Christopher John King ⁽¹⁾ (To 16 December 2019)	Received THB 1,414,972.24 for directors' bonus.
18. Mr. Willem Frederik Nagel ⁽⁷⁾ (From April 23 2020)	Received THB 2,648,200 for serving on the Board of Directors and as Chairman of the Risk Oversight Committee, member of the Nomination, Remuneration and Corporate Governance Committee, member of IT Oversight Committee.
19. Mr. Michal Jan Szczurek (From 17 December 2019)	Not entitled to receive the monetary remuneration and directors' bonus as per the criteria of ING Bank N.V.
20. Mr. Piti Tantakasem	Not entitled to receive the monetary remuneration and directors' bonus as per the criteria of the Bank.

Remark:

⁽¹⁾ Not currently a board member

⁽²⁾ Mr. Ekniti Nitithanprapas was appointed as a director and the Chairman of the Board of Directors, effective from 13 February 2020.

⁽³⁾ General Nattaphon Nakphanit resigned from directorship, effective from 1 October 2020.

⁽⁴⁾ Mr. Praisun Wongsmith was appointed as the Chairman of the Audit Committee to replace Mr. Singha Nikornpun, effective from 1 April 2020.

⁽⁵⁾ Mrs. Chananyarak Phetcharat was appointed as an independent director of the Board of Directors, effective from 1 April 2020.

⁽⁶⁾ Mr. Singha Nikornpun resigned from an independent director position and the Chairman of the Audit Committee, effective from 1 April 2020.

⁽⁷⁾ Mr. Willem Frederik Nagel was appointed as an independent director of the Board of Directors, effective from 23 April 2020.

Other remuneration and benefits

No other benefits

8.6.2 Remuneration for Executive Officers

During the fiscal year ended December 31, 2020, the Bank's 39 executives as defined by the Bank and align with definition of SEC received remuneration in a total amount of THB 320 million, consisting of salary, bonus, provident fund and other benefits. ("executives as defined by the Bank and align with definition of SEC" refer to manager or the next four executives succeeding the manager, the persons holding equivalent position to the fourth executive and shall include the persons holding the position of manager or equivalent in accounting or finance department and staff who may know the financial information before public.)

8.7 Personnel

8.7.1 Number of Employees

As of December 31, 2020, the Bank has a total number of 17,012 employees in which 8,838 was TMB's employees and 8,174 was TBANK's employees.

The Bank's employees broken down by group as follows

Group	2020 No. of employees (persons)
Chief Executive Officer (CEO)	337
President	1,161
Chief Automotive Lending Officer (CALO)	1,659
Chief Technology and Operating Officer (CTOO)	2,604
Chief Integration Officer (CIO)	23
Chief Financial Officer (CFO)	291
Chief Retail Banking Officer (CRBO)	8,694
Chief Commercial Banking Officer (CCBO)	1,165
Chief Risk Officer (CRO)	645
Chief People Officer (CPO)	146
Chief Marketing Officer (CMO)	158
Chief Audit Officer (CAO)	129
Total	17,012

Staff's total number during the past three years

Bank's employees	As of December 31, 2020	As of December 31, 2019	As of December 31, 2018
Total number	17,012 persons	19,432 persons	8,373 persons

8.7.2 Key labor disputes (TMB only)

As of December 31, 2020

Type of case	No. of cases	Status
1. Lawsuit brought by the Bank against employees	1	Cases are under the Court's proceedings.
1.1 Violated Employment Contract	1	
- Case not yet finalized	1	
- Case finalized	-	
2. Lawsuit brought by employees against the Bank	13	Cases are under the Court's proceedings.
2.1 Unfair termination of employment	11	
- Case not yet finalized	2	
- Case finalized	9	
2.2 Change in employment conditions	1	
- Cannot yet finalized	-	
- Case finalized	1	Cases are under the Court's proceedings
2.3 Pay for annual leave	1	
- Cannot yet finalized	1	
- Case finalized	-	

Staff's compensation

The Bank is well aware that employees are its valued resources and key contributors towards its success and achievement. Therefore, the Bank gives priority to the boosting of the employees' morale and ensure that they receive compensation based on their performance, skills and competence, as well as other welfare and benefits that are reasonable, fair and comparable to other financial institutions'.

Total compensation and types of compensation for employees

The Bank has compensation scheme in the form of base salary and variable pay depending on the business achievement. The industry benchmarking is conducted among financial institutions to ensure the competitiveness. The Bank has continued to review and update the information to ensure proper compensation package including the required working tools to be aligned with the scope of work and responsibilities, regardless of the corporate title or ranking. Corporate operational risk is also taken into consideration for total compensation. The overall compensation scheme is designed to drive the "Pay for Performance" culture depending on the performance of the Bank and employees.

In 2020, total compensation for the employees given in the forms of salary, cost of living allowance, other allowance that related to work, variable pay by performance and others accounted for THB 8,576 million.

In 2020, the Bank received approval from the Extraordinary General Meeting of Shareholders No. 1/2019 on 23 September 2019 to issue newly issued ordinary shares for TMB Stock Retention Program, with the aim of talent retention. The offer for sale of the newly issued shares in this structure would cover the span of 3 years (2020 – 2022).

Other subsidies

The Bank provides other forms of subsidies to employees on several occasions, e.g. grants for staff's wedding, child's birth, ordination, Islamic pilgrimage, and scholarship for staff's children. The Bank also grants gratuity to the employees in case they themselves or any of their family members have passed away.

Provident fund

The Bank and Employees have jointly established The Registered Provident Fund of TMB Bank Public Company Limited which is managed by The Board of Directors of The Registered Provident Fund of TMB Bank Public Company Limited that comprised of employers, which come from the appointment and employees which come from the election from the member. The fund is managed with Employee's Choice which contribution at 5% - 10% of the staff's salary is paid by the Bank into the Fund and The Bank's employee may choose to pay their own portion into the Fund at the rate of 2% - 15% of their salary.

Other welfares and fringe benefits

Medical care - The Bank provides medical services to staff through health insurance company with efficient and convenient service standards, and cover dental treatment. The Bank also provides annual health checkup for all levels of staffs in term of health preventive care. Since 2016 the medical check-up program was properly provided by considering the range of ages and risk opportunity that might occur from work environment in some functions. The Bank also provides in-house medical clinic at the Head Office and other office of the bank with many employees operating with specialized physicians to give medical treatment and health consultancy, with a few beds for sick staffs and initial medical care during the work hours.

Group life insurance, severe diseases insurance, personal accident insurance, and medical financial support for accident from work -The Bank provides options for staffs to choose the health insurance program to suit with their needs. These insurance programs are aimed at strengthening the employees' security while working with the Bank. The insurance is also covered 24 hours for both working hours and over time. Including the preparation of life insurance to staffs who work in areas including four most risky southern provinces namely Yala, Pattani, Narathiwat and Songkhla, as well as the medical financial support in case of accident that might be occurred from work.

Welfare loans – The Bank has been providing staff welfare loans that are referred to processes and product which are provided to customers, as well as encourage employees to adhere to the financial discipline. Besides, emergency loan is provided to ease staff's difficulty.

Canteen– The Bank has provided the canteen at its Head Office where employees can enjoy quality food and drinks in a low price and nice environment.

Fitness – The Bank supports and provides a fitness facility free of charge at Head Office, this will help to improve their health and well-being and promote a healthy workplace.

Human Resources Development with the Business Plan Alignment

Training roadmap for the Bank's staffs has been designed to strengthen Core and Leadership Competency for our people. We customized training contents and topics to fit staff and executive at all levels through analyzing key behaviors and skills required for the Bank's employees at different proficiency levels.

As of December 2020 the Bank provided training courses for staff in various course for developing their knowledge and skill. The training course classified as below.

Overall staff training 2020	Average hour
Men	12
Women	16
Overall training by average hour	15

Overall staff training 2020	Average hour	
	Men	Women
Top management	4	5
Middle management	12	7
First management	17	23
Officer	11	15

Overall staff training 2020	Number of courses	Number of training	Number of staff attend
Internal	33	63	2,069
External	16	16	53
E-Learning	93	112	142,222
Total	142	191	144,344
Branch area	45	56	34,189
Commercial area	2	3	850
License related area (Securities and Bancassurance)	58	90	43,634
Other	37	42	65,678

Average training hours 15 hours per person.

Detail of the training is disclosed in Sustainability Report.

9. Corporate Governance**9.1 Corporate Governance Policy**

The Board of Directors is well aware of the importance and benefits of good Corporate Governance and thereby set out the written Corporate Governance Policy which applied SEC's Corporate Governance Code for Listed Companies. In this regard, the relevant regulations and industry code of conduct also incorporated in. The policy content focus on the good corporate governance and international standard, proper conduct the Bank business with efficiency, integrity, absence of fraud and corruption, transparency and accountability to enhance confidence of shareholders, investors, stakeholders, society and all related parties. The policy is posted on the Bank's website for information of the Bank's employees and for public.

(Detail is indicated in topic "Other Corporate Governance Practice")

The policy covers in key principles as following.

Part 1 Rights of shareholders

The Bank places importance on protection of the rights of the shareholders and encourages the shareholders to fully exercise their rights. This covers the shareholders' basic rights, i.e. sale/purchase or transfer of shares, business profit sharing, receipt of relevant and adequate information of the Bank. The shareholders are also encouraged to exercise their rights to attend the shareholders' meeting and vote on appointment or discharge of directors, appointment of auditor and on other issues affecting the Bank such as dividend allocation, capital increase/decrease, approval of connected transactions, and determination or adjustment of Articles of Association and Memorandum of Association, etc. In this regard, the Bank shall not commit any conduct infringing or undermining shareholders' rights.

Annual General Meeting of Shareholders

The Bank has policy to encourage all groups of shareholders including minority shareholders, institutional shareholders, and foreign shareholders to attend the annual general meeting of shareholders. In 2020, the Annual General Meeting of Shareholders was postponed from the original schedule on April 29, 2020 to be held on Monday, August 17, 2020 at 14.00 hrs. at the Auditorium, 7th Floor, TMB Head Office, 3000 Phahon Yothin Road, Chom Phon, Chatuchak, Bangkok. This meeting was arranged during the outbreak of the novel coronavirus 2019 (COVID-19) therefore the Bank set up the preventive measures as per the recommendations of the relevant organizations, Department of Disease Control, such as diagnose an individual person with a body temperature, using the fill out of COVID-19 Health declaration form for screening the history of participants if they has been in contact with any risky person, and request the participants to register application "Thai Chana". The date, time and venue of the Annual General Meeting of Shareholders were set and conformed to the good corporate governance principles as summarized below:

Before the Meeting Date

For the 2020 Annual General Meeting of Shareholders, the shareholders were informed of the date and agenda of the meeting via SET's communication system on July 9, 2020 or 38 days prior to the meeting date. The Bank also disclosed the invitation letter as well as related documents in both languages, Thai and English, on the Bank's website (www.tmbbank.com) in the section "Investor Relations" under the title of "Annual General Meeting of Shareholders" July 14, 2020 or 33 days prior to the meeting date to enable the shareholders to have sufficient time to study the information. The Bank also assigned its registrar, Thailand Securities Depository Co., Ltd. (TSD), to deliver the said documents in printed copies to the shareholders via the registered mail on July 24, 2020 or 23 days before the meeting date, which was align with policy and longer than the legal requirement.

The invitation letter contained objectives and rationale as well as the opinions of the Board of Directors on each agenda item, accompanied by complete and sufficient details of each item for consideration. The shareholders were clearly informed which item would be for consideration and which one for acknowledgement. Moreover, in the invitation letter, the shareholders were informed of the details regarding necessary evidence documents to be brought to the meeting as well as meeting procedure, voting rules with a QR Code of the Bank's annual report (the shareholders can request for the annual report in printed form) and other relevant information attached thereto. In addition, the invitation letter was also published in the newspaper for 3 consecutive days in accordance with the law.

A proxy form was also enclosed to allow the shareholders to appoint any independent directors or other persons as their proxies in case they could not attend the meeting. A foreign shareholder who has appointed a custodian in Thailand to be share depository and trustee has to use the Proxy Form C. which can be printed from the Bank's website.

For convenience of registration, the Bank coordinated with institutional investors on preparation of proxy prior to the meeting date.

On the Meeting Date

The meeting was carried out with transparency, fairness, and equitable treatment of all shareholders. Appropriate registration procedure was prepared by the Bank, with facilities provided by Bank staff, classified by type of attendees, i.e. shareholders attending in person and proxies attending on shareholders' behalf. The barcode system was used to ensure rapid and accurate registration procedure. Voting card was available for each attendee to vote on each item of the agenda. Moreover, the Bank also provided shuttle bus service at various spots and sufficient parking space to serve the shareholders.

Before starting the meeting, the Chairman assigned the Company Secretary to clearly inform the meeting of the voting and counting methods. For more convenience of foreign shareholders, a simultaneous English translation was provided by the Bank's staff. In this regard, the shareholders' rights to study the Bank's information memorandum would not be undermined, such as no abrupt distribution of additional document with key information during the meeting, no addition of new items on the agenda or change in the key information without prior notice to the shareholders, no prohibition of meeting attendance of late attendees, and so on.

During the meeting, the Chairman proceeded with the meeting in order of the items on the agenda. The Chairman also encouraged the shareholders to cast votes and raise questions and comments. Importance was given to all the recommendations or comments made by the shareholders, with all questions comprehensively clarified and all useful suggestions brought into account.

The vote casting and vote counting were undertaken openly and transparently. Allen & Overy (Thailand) Co.Ltd., external legal consultant represented by Mr. Chunhapak Taechakumtornkij, and volunteers for shareholders, namely Mr. Sakol Jitchobtham, Mr. Prinya Chatametheewong, were invited to be inspectors of the voting method, collection of ballots, counting and validation of the voting results on all agenda items. The Company Secretary announced the voting result of all agenda items.

The meeting minutes and detailed votes on all items, as well as essence of shareholders' inquiries, clarifications of the Board of Directors & CEO and resolutions were recorded completely and accurately by the Company Secretary.

After the Meeting

After the meeting, resolutions of the meeting were disclosed via the SET system on Monday, August 17, 2020, with voting details, i.e. approved, disapproved and abstain, of each agenda item. Minutes of the meeting which contained complete details including attendance record of the directors, clarification on key items, summary of questions, answers and comments during the meeting were submitted to the SET and related agencies within 14 days after the meeting date, and posted on the Bank's website (www.tmbbank.com), both Thai and English version, for verification by the shareholders. The Bank also arranged systematic filing for the minutes of the shareholders' meeting.

Furthermore, the Bank provided a video recording of the meeting for the shareholders who could not attend the meeting. Interested shareholders can contact the Bank for details.

Part 2 Equitable Treatment of Shareholders

The Bank places importance on and assures all shareholders of their rights to fair and equitable treatment, i.e. major shareholders, minority shareholders, institutional investors, and foreign shareholders. All shareholders are treated with fairness and equality as summarized below:

Rights to purchase, sale, or transfer the Bank's shares

Thailand Securities Depository Co., Ltd. (TSD) has been appointed as the Bank's registrar to facilitate all services for all transactions related to registration of the Bank's shares, namely sale/purchase or transfer of shares.

Rights to profit sharing

The Bank allocates profit to its shareholders in form of dividend payment also interim dividend payment, taking into account sustainable long-term growth built upon the Bank's full potential and capability. The dividend payment is also in line with the capital adequacy, reserve allocation and conditions of relevant laws, timeframe of dividend and

interim dividend payment as well as the detail of dividend payment and dividend amount was disclosed for the shareholders acknowledgement via SET system.

Rights to regularly and timely obtain adequate information on business performance

The Bank ensures that the shareholders are provided with complete news and information apart from those disclosed via the SET's communication system. All significant and updated information are posted on the Bank's website (www.tmbbank.com).

Rights to attend the shareholders' meeting

All shareholders have equitable right to attend the meeting. Opportunity is opened to those who are unable to attend the meeting in person to appoint proxies to attend at the meeting on their behalf. The Bank has arranged to have available for appointment as proxies its directors/ independent directors who do not have interests in the business on the agenda.

Right to vote at the shareholders' meeting

At each meeting of shareholders, the Bank specifies that the rights to vote shall be accordance with the amount of shares held by the shareholders, with one share equivalent to one vote. The vote counting will be carried out openly and accurately. The majority votes will be considered as the resolution except for special resolutions of certain cases set forth by the laws requiring the votes of at least three-fourths of the votes of all the shareholders attending the meeting and having the rights to vote. With regards to the voting method, the shareholders can vote to approved, disapproved, or abstain from on each agenda in the voting card.

The Bank collects the voting cards from the shareholders on every agenda item that needs to be voted for resolution. The shareholders shall be requested to mark the voting cards, according to their own opinions, indicating whether to not approve or abstain on each agenda. The barcode system is used for vote counting to facilitate fast and accurate process. The Bank will notify the shareholders of the voting result on every item once the counting is finished, divided into approval votes, dissenting votes and abstentions, as well as invalid ballots. The resolutions of the meeting according to the voting result on each item will be recorded in writing and all ballots will be kept for further examination.

Right to Propose Agenda, Director Nominees, and Question for AGM by Minority

The Bank allows the shareholders to propose agenda items and nominate persons to be elected as directors in advance, as well as allows the shareholder to propose Question for AGM in advance. The shareholders must comply with criteria specified by the Bank. At the 2020 Annual General Meeting of Shareholders, the Bank allowed the minority shareholders to propose agenda items and nominate persons to be elected as directors 3 months in advance, prior to the ending date of the fiscal year or from October 1 onwards. Details, procedures and methods of the proposal and nomination were provided on the Bank's website (www.tmbbank.com) in "Investor Relations" section under the title of "Propose Agenda, Director Nominees, and Question for AGM by Minority" and to notify via the SET system.

Right to appoint directors individually and determine directors' remuneration

At every Annual General Meeting of Shareholders, one-third of the total number of the directors of the Bank shall retire. The Bank has set an agenda item concerning election of the Bank's directors. The shareholders are allowed to vote for election of individual directors. The shareholders have the right to choose the person (s) that they deem having proper qualifications to perform duties as directors so as to safeguard the shareholders' interests. This will enable the Bank to have directors from diversified fields to represent the shareholders. Detail of qualified person such as name, age, education, experience, position in other listed companies, type of directorship, number of attendant, tenor of directorship etc. would be disclosed for the shareholders' consideration via the invitation letter for such agenda.

In addition, the shareholders have the rights to consider and approve the directors' remuneration. Adequate information on directors' remuneration is also provided to support the shareholders' consideration.

Right to appoint Auditors and determine audit fees

At every Annual General Meeting of Shareholders, the Bank has set an agenda on appointment of the Bank's auditors and consideration of the audit fees. The Bank also provides sufficient details of the proposed auditors and audit fees for consideration of the shareholders.

Part 3 Role of Stakeholders

The Bank gives priority to equal treatment to all stakeholders to ensure they fully enjoy their rights with fairness and appropriate treatment. The Bank puts in place the system to handle **customers'** complaints and resolve their problems with prudence and fairness. Customer information shall be kept confidential and conditions under the agreements made with **business partners** shall be strictly complied. The Bank's business operations shall be based on fair, free from corruption and ethical competition. All **employees** shall be treated fairly and equally. They shall act with integrity and create trust in working together, dare to do different things and challenge status quo, be forward-looking, embrace changes and be ready to start new initiatives. They shall also collaborate, pay attention to difference of opinions, treat each other with respect, aim for the best results, have discipline in everything they do and pursue accomplishments.

In 2020 the Bank reviewed the laid down relevant policies in 17 areas for all stakeholders as follows:

Policy for Shareholders

The Bank has policy to protect interest of shareholders and equitable treatment of all shareholders including major shareholders, minority shareholders, institutional investors and foreign shareholders, e.g. right to attend and vote at the shareholders' meeting, right to express their opinion independently at the shareholders' meeting, right to propose agenda items and nominate persons to be elected as directors in advance, right to profit sharing, and right to completely, transparently, regularly and timely obtain adequate information on business performance.

The Bank's guidelines for shareholders

The Bank ensure that business operation is transparent and free from corruption, taking into account sustainable and long-term growth based on the Bank's full potential and capability. This is to enhance the Bank's value in terms of both share price and attractive dividend payment.

Policy for Employees

The Bank supports and develops capability of employees for highest performance capacity. The employment shall be fair and appropriate for employees with career advancement opportunities and returns that reflect their ability. The Bank shall welcome employees' opinions and promote team work spirit. Employees shall be treated with politeness and their individuality shall be respected no double standard criteria. The Bank shall provide good welfare and good work environment and standard with occupational safety standard and shall concern for all employees' well-being. Consideration of employment, promotion, rotation, and punishment of employees shall be based on fair treatment. In addition, the Bank provides plan to use human resources for the Bank's optimum benefits.

The Bank's guidelines for employees

The Bank shall provide good benefits and favorable work environment by determining occupational health and safety standard and assure comprehensive well-being of all employees. For instance, nurse(s) are stationed at the infirmary every day at the Bank's office building, and doctor is available for treatment of ill employees. The Bank also provides medical treatment welfare for employees (in case of out-patient) who are treated at government and private hospitals. The Bank offers loans to help alleviate employees' difficulties, i.e. staff welfare loans, etc.

The Bank has the internal procedures which align with the human right principal and Audit Committee has the regular report for oversight on thus relevant control procedures. Detail of Human right policy was disclosed via the bank's website. (www.tmbbank.com)

The Bank has established a Safety, Occupational Health and Working Environment Committee and appointed a safety officer to work in accordance with the rules and procedures prescribed by the law to comply with the Safety Act. Occupational Health and Working Environment

In addition, the Bank continuously develops employees' capability by offering development programs for all levels of employees. In order to prepare the employee's readiness for the business goal and culture – I CARE, the bank provide the internal training course such as Market Conduct, Code of Conduct, Personal Information Protection Act, Promotion Risk Awareness etc. In addition, the Bank places importance on Anti- Corruption, the Bank provides training programs on policy and guideline of Anti-Corruption for employees by setting of classroom training for new employees and providing of digital training (E-Learning) for employees.

In addition, the Bank provided the non-monetary benefits such as by granting the Bank's newly-issued ordinary shares to the executives and staff under TMB Stock Retention Program during 2020 – 2022.

Policy for Customers

The Bank has policy to apply customer centricity strategy in its business operations to provide the customers with diversified services and products that can well respond to their needs and to create maximum customer satisfaction and to create maximum customer satisfaction.

Market Conduct

The Bank emphasizes and supports customers to have financial well-being by up-lifting its end-to-end process for ensuring fair market conduct. In managing financial services fairly based on the minimum standard of Market Conduct 9 pillars, customers can be confident that 1) the Bank focuses on providing suitable products with fair and sincere services, and that customers will not be taken advantage of, 2) customers receive appropriate and clear advice from the Bank, 3) customers receive fair and reasonable prices for products and services 4) customers are able to access the Bank's services conveniently and receive appropriate support and 5) customers understand their rights and obligations when obtaining services from the Bank. An example of main market conduct pillars are as follows:

Corporate culture and roles and responsibilities of board of directors and senior management are to drive and support market conduct culture. A Market Conduct Committee is established to oversight the management and execution of business and actions in accordance with the 9 market conduct pillars. In order to ensure effectiveness of concrete practices promoting fair market conduct by staff at all level which would in turn becomes corporate culture, the management team are required to periodically and continuously report the progress to the Board of Executive Directors and Board of Directors.

Product development and client segmentation, the Bank is committed to develop and offer products that are appropriate to the needs, financial capability and understandability of each category of customers, while these products must also be appropriate to the sales skills of bank staff, operating systems as well as the capability to control the sales quality and fair treatment of customers, in which customers are offered with fair products, in respect of prices and conditions.

Sale process that support customers to completely receive valuable information, not overstated, not distorted, enabling customers to make decision with the correct understanding of products and services driving the customers to reach financial well-being.

Apart from how the Bank aims to provide products and services in the best interest of customers, the Bank is committed to delivering our services to meet satisfaction at all times. In this event, the Bank provide customers with access to a problem and complaint management process based on which customers' problems and complaints are handled by independent team to ensure fair and efficient process for resolving complaints. This also allow the Bank the manage its reputational risk and improve customers' experience.

The Bank believes in fair and responsible market conduct arrangement which is a fundamental right of customers resulting in customers having better financial well-being and is the major key for the Bank to operate responsibly and sustainably.

The Bank's guidelines for customers

The Bank has cultivated organizational culture "I CARE" comprising 5 core values namely **Integrity** – integrity and trust in working together, **Challenge Status Quo** - dare to do different things and start new initiatives, **Agility** – forward-looking, and embracing changes, initiating new ideas, **Respect** - collaborate, and treat each other with respect, **Execution** – aim for the best results with discipline in everything we do and pursue accomplishments.

Policy for Business Partners

The Bank operates business operation with partners sustainably and in long term and as good business alliances. The Bank has criteria for partner treatment, for example, in term of procurement, employment, leasing and high purchase. Qualified business partners are included in the Vendor List and price comparison is carried out before any procurement, employment, leasing and hire purchase. In addition, The Bank carefully and strictly complies with the criteria for fairness to all parties and transparent, free from corruption, auditable practice so as to maximize mutual benefits.

The Bank's guidelines for business partners:

The Bank establish Procurement policy that sets out the criteria for selecting partners who incorporate the social and environmental issues as their consideration, this also including human rights issues. The Bank also conducts risk assessment and internal control procedures through Risk Control Self-Assessment (RCSA) process. Key Control testing is regular perform after RCSA processes

The Bank has set out guidelines for employees responsible for procurement, employment, leasing and hire purchase as follows:

- 1 . Procurement officers and those related to procurement process shall perform duty impartially, honestly, independently and transparently regarding contact and coordination with suppliers, The supplier list and information related to the bidding shall not be disclosed to other parties except for the public information of the supplier.
- 2 . Procurement officers and relevant persons, including their direct family members, who have direct or indirect interest with procurement and employment, for example, employee, director, partner or advisor of the sale company, shall not participate in considering the specific procurement whether there is remuneration or not. The Bank has provided the in-house training regarding NO GIFTS POLICY to encourage the transparency.
- 3 . Procurement officers and relevant persons, including their direct family members, should not be the one borrowing from or lending to the existing suppliers or suppliers who are making an offer to the Bank.
- 4 . Procurement officers and persons related to procurement shall prepare self-declaration when the person related to procurement receives is considered under the selection process. This is to promote the transparency and avoid any conflicts of interest or corruption issues.

The Bank's guidelines for selection partners:

For selection partners, the Bank will not select partners who is broker but the Bank will select partner who are manufacturer, distributors, or distributing agent that there are goods itself as well as consider other important factors including type of goods or services, expertise and experience of business, financial status, history of business, faithfulness and experience of executive management, and information of goods' safety.

1. Selection process involve in the due diligence and KYC shall ensure that all candidates have the complete qualifications and the bank shall review and screen the supplier list regularly every 6 months to ensure that the bank has the proper supplier list with the good record according to the bank policy especially the Anti-Corruption and align with the Thai Private Sector Collective Action Coalition: CAC.
2. The bank also screens the supplier to ensure no conflict of interest issue between the supplies as well as the bank's officer.
3. The procurement committee is appointed to validate the supplier at a specified value of the transaction.

The committee also certified the supplier selection is transparent arranged. The supplier contract is usually review by Legal department for fairness of both the bank and the suppliers.

Policy for Creditors

The Bank has policy to honor and strictly conform to contact and commitment with creditor includes condition, guarantee, cash management, not default of debt, and other matter that has made agreement with creditors. Loan and interest repayment are completely and timely made to all creditors. Loan condition are rigorously complied with and no misuse of the loans is allowed.

The Bank's guidelines for creditors:

The Bank shall operate business based on its full potential and capability to build creditors' confidence in the Bank's good financial status and debt service capacity. Balance Sheet Management also prepare the accurate financial status and financial information and report to the creditors with loyalty all along. In addition, the Bank operates efficient cash management to ensure that financial status of the Bank is stable and strong as well as good liquidity management to be in order payment debts to creditors timely.

Policy for Competitors

The Bank has code of conduct and policy to conduct business based on fair and free competition with honesty and integrity as well as fairness for services providing to the customers and rejection of corruption in all its forms, and not to damage, sabotage, destroy or restrict the business of the competitors.

The Bank's guidelines for competitors:

The Bank shall offer the products and services which suit for the customer's needs based on the fair treatment, the customers also freely select their satisfied product and services. The Bank shall not engage in any dishonest or inappropriate action in order to obtain the competitors' confidential information and shall refrain from attacking the competitors' reputation with false allegations.

Policy for Investors

The Bank shall disclose correct, complete and sufficient information for investors' decision in a timely and appropriate manner.

The Bank's guidelines for investors:

See more details in "Disclosure and Transparency".

Policy for Government Agencies

The Bank has policy to conduct its business to ensure strict compliance with the laws, rules and regulations and relevant regulatory requirements, in addition the employee would be communicated on such regulations for their strict implementation, the Bank also provide good cooperation to the regulators such as to comply with Thai law the national anti-corruption law, etc.

Policy on Social and Environmental Responsibility

The Bank operates its business as well as encourage the employee's awareness based on Corporate Social Responsibility (CSR) principles, supporting various activities and managing for efficiency of the energy consumption to promote sustainable quality development of the society and environment.

Policy on Compliance with International Human Rights Principle

The Bank places importance on equality of all stakeholders and shall not commit any conduct that violates human rights, including discrimination on grounds of the difference in origin, race, language, age, education, institution, gender, disability, physical or health condition, personal status, economic or social standing. These practical policies have been specified in the Code of Conduct of the Bank. The Bank determines hiring of any persons based on fair employment and respect human rights by considering from a person's caliber, the bank proceed appropriate compensation according to the position structure as well as market rate.

The Bank's guidelines for violation of human rights

All employees must treat all stakeholders with politeness, respect and honor, not behave inappropriately or violation of human rights regarding discriminate via verbal, ground of the difference in origin, race, religion, language, age, education, gender, disability, physical or health condition, personal status, and economic or social standing.

Policy on Non-Violation Against Intellectual Property Rights or Copyrights

The Bank operates its business without violating or exploiting copyrighted works or intellectual property, unless legal permission is granted by the copyright owners. The Bank has specified the policy on usage of information technology system and software program of the employee shall be inspected to prevent any usage of piracy software and software which is unrelated to work.

The Bank's guidelines on non-violation against intellectual property rights or copyrights:

In aspect of information technology, system development, procurement of IT program and equipment, the Bank complies with the Copyright Act and supports the legal protection of the Department of Intellectual Property. The Bank also welcomes inspection by the copyright owner. In addition, the Bank ensures that the employees do not, either in part or whole, copy, modify or publicize the copy or original material. Programs which are not licensed to the Bank/ .exe file/ songs/ games/ and other links to automatic installation are prohibited.

Anti-Fraud Policy, Anti-corruption Policy, and Gift ,Entertainment, Donation and Sponsorship Policy

The Bank emphasizes on prevention and suppression of fraud, bribery, and corruption within the Bank. The Bank sets out policies, standards and procedures with strict measures for fraud and corruption detection in order to reduce fraud and corruption-related losses and to enhance efficiency and effectiveness in fraud prevention and suppression within the Bank.

The Bank provides preventive measures prohibiting an outsider to use the Bank to commit illegal actions as well as measures protecting persons who deny corruption or make complaints on fraud, corruption, and bribe from harassment, harm, penalty, demotion or threats such as Anti- Fraud Policy, Anti-Corruption Policy and TMB Anti-Money Laundering/Combating of Financing Terrorism (AML/ FTC) Policy, etc.

The Bank places importance on anti-bribery for the Bank's business benefits or anti-bribery in any business agreement with government and private organizations. The Bank also determines Gift ,Entertainment , Donation and Sponsorship Policy for use as guideline by the employees. The bank shall not accept gifts or endorsements, while any providing gifts or entertainment shall be arranged according to the context of business with the clear guideline, on necessary or traditions practices.

The Bank's guidelines on anti-fraud, gift & anti-bribery:

All employees shall comply with the Gift, Entertainment, Donation, and Sponsorship Policy. Employees must report the offered gift or the entertainment transaction, the gift or entertainment transaction must be aligned with detail stated in Gift, Entertainment, Donation and Sponsorship Policy.

Policy on Whistle Blowing or Complaints

The Bank has whistle blowing policy and guideline for employees and all stakeholders' complaints to ensure that all stakeholders are able to communicate, report, or complain about improper actions such as violations of laws and regulations, misconduct and unethical behaviors, embezzlement, frauds, corruption, violation of rights, and any matter that lead to the Bank's damage.

The Bank provides channels to enable the stakeholders to report or make complaints either in writing or through the Bank's website. Policies and procedures are in place to ensure that the complaints will be forwarded to the concerned work units for quick investigation and correction as well as reporting to the Chairman of the Board of Directors and the Chairman of the Audit Committee for acknowledgement on quarterly basis. The whistleblowers will be notified of the Bank's action.

In addition, the Bank has measures to protect whistleblowers from harassment, harm, penalty, demotion or threats from the whistle blowing.

The Bank's guidelines on Whistle Blowing or Complaints:

Bank provides the channel for the stakeholder to report any violation or complaint case either written via email or the bank's website. The reporter will be protected from harassment, harm, penalty, demotion or threats from the whistle blowing. Compliance monitor the corrective actions regarding complaint cases to ensure that the actions were rapidly processed.

Policy on Management of Conflict of Interest

The Bank imposes strict measures on management of conflict of interest or related transaction or connected transaction. The important transactions that may pose a conflict of interest are considered and approved by the Board of Directors and in accordance with the rules and regulations of the related agencies. These transactions are treated in the same manner as those made with the outsiders (an arm's length basis) and the stakeholders shall not participate in the approval process.

The Bank has policy on transactions with persons who having conflict of interest for directors, employees in order to treat such transactions with fairness, transparency and in accordance with the relevant regulatory requirement. The Bank also discloses accurate and complete information on such transactions in Form 56-1 and annual report.

Furthermore, at the Board of Directors' meeting, directors shall inform the Board of their conflict of interest before consideration of such particular agenda item. Such conflicts of interest shall be minutes by Secretary to the Board. The director with conflict of interest shall also abstain from participating in the discussion of such particular agenda item.

The Bank's guidelines on Manage conflict of interest:

All management and employee shall report, avoid, and prevent any conflict of interest issues by informing the management in higher level or the relevant party regarding the beneficial of interest under their areas and they will not participate or attend the meeting for such transaction. The approval or consideration on such transaction shall be conducted by other person or the management in higher level in order to prevent the conflict of interest issue. In addition, directors and managements, under SEC definition, must prepare the disclosure regarding the share equity held in other companies in order to prevent any conflict of interest or misuse of internal information issues.

Policy on Internal Control

The Bank sets out internal control policy for both managing and operational levels and puts in place the efficient, appropriate and adequate internal control systems with regular assessment. The Audit Committee of which all members are the Independent Directors is assigned to oversee the internal control system. The Audit Department, which directly reports to the Audit Committee, has duty to audit performance of all units such as accounting, finance, management to ensure that the operations are in accordance with the related rules, regulations and laws as well as the annual audit plan, and that the benefits of the Bank and the stakeholders are best protected.

Business Ethics and Code of Conduct

The Board of Directors realizes that good practice enables the Bank to conserve and uplift its honor and reputation. The Business Ethics and Code of Conduct, that align with the banking industry code of conduct and the good corporate governance, are thus prepared as guidelines for the directors, executives and employees and both directors, executives and employees has signed off for acknowledgement the code of conduct. The strict compliance which is reflected in their daily work will enhance reliability and trust among the stakeholders.

Anti-Corruption Policy

The Bank give important to operate the Bank with fairness and adhere responsibility for all stakeholders. The Bank operate align with principle of good corporate governance and code of conduct to ensure that the operation' of the Bank is transparency and absent all aspect of corruption. The Bank attained certified membership status in the Private Sector Collective Action Coalition Against Corruption (CAC).

The Bank provides anti-corruption policy in order that directors and employees use to be guideline for operation to ensure that the Bank acts as organization with full transparency. The Bank oversees directors and employees to abide by this policy strictly and also provide penalty to employees in case of violation of the policy as well as provide awareness of the participation and responsibility of the Bank to prevent corruption and also make organization's culture to be a zero-tolerance on anti-corruption. In addition, the Bank has measured to protect and give fairness to employees who deny or inform clue action on corruption from harassment, harm, penalty, demotion or threats.

In addition, the Bank provides risk management process on corruption in Risk & Control Self-Assessment – RCSA process, regular perform on key control testing according to RCSA by business units under 3 Lines of Defense and Market Conduct bank wide, to protect and monitor risk from corruption, monitoring result of assessment from policy's implementation as well as provide training to employees to ensure that they have knowledge on anti-corruption policy and guideline.

See more details in "Anti-Corruption".

The Bank's guidelines on anti-corruption:

Bank communicates to all employees to acknowledge and understand the policy via infahNet every year. The training course regarding Anti-Corruption is set as the mandatory course for everyone which the training is provided via e-learning system every year. Anti-Corruption course is the mandatory course for new employees. In addition, the Risk & Control Self-Assessment process also incorporate the anti-corruption as one topic for considering the risk mitigation action.

Part 4 Disclosure and Transparency

Disclosure

The Bank's financial and non-financial information relevant to the business and operating results are disclosed in both Thai and English correctly, completely, sufficiently, transparency, and timely, which reflects its actual business operation and financial status. All stakeholders have equal access to the information. The significant

information is disclosed to the public in accordance with the criteria and regulations concerning the disclosure of information of the SET and SEC, and the good corporate governance principles such as to submit the financial report to the SET and SEC within the specified timeframe. The Bank's financial statements did not contain any transactions to which the auditor had qualified opinion. The financial statements have never been revised under the order of the SET and SEC. In addition, the Bank performs Management Discussion and Analysis (MD&A) on a quarterly basis and discloses such information on the Bank's website to inform the investors and enable them to better understand changes in the Bank's financial position and operating results in each quarter. The Bank also discloses remuneration for the directors and executives in Form 56-1 as well as annual report, and the shareholding of the Bank's securities by the directors and executives in Form 56-1 as well as annual report.

Investor Relations

The Bank places importance on management of investor relations, both institutional and individual investors, domestic and overseas, taking into account the quality, correctness, completeness, transparency, adequacy and timeliness of information disclosed to investors, securities analysts, etc. The Bank's management team arranges meetings with investors and securities analysts on a regular basis to present the quarter and annual operating results of the Bank. The management team also regularly participates in seminar and non-deal roadshow with local and foreign investors, including securities analysts both domestic and overseas. This is to build their confidence in the Bank's performance and establish long-term relationship.

The Bank has established Investor Relations unit to correspond and communicate with investors, securities analytics, etc. as well as to provide them with accurate and complete information of the Bank, both financial and general information, in a timely manner and in accordance with the relevant laws or regulations. This is to support the decision-making, create confidence and enhance good image of the Bank. The Bank's Investor Relations could be contacted at Floor 30, TMB Head Office Tel. 02-242-3475, Fax. 02-299-1211, website: <http://www.tmbbank.com/ir> Besides, shareholder services can be contacted at Company Counselor Floor 28, TMB Head Office Tel. 02-299-2729 Fax. 02-299-2758.

In 2020, the Bank provided information to analysts and investors regularly as summarized in the table below:

Types of meeting	Number of investors	Number of companies	Number of meetings
One-on-one Meeting and conference calls	48	34	26
Analyst Meeting and Live Webcast	335	318	10
Investor Conference	196	148	8
Site visit	99	2	2
Non-deal Roadshow	24	23	2
Total	702	525	48

The Bank's website

At present, disclosure of information on the website is a fast and convenient way that allows easy and equitable access to information by shareholders and the public. The Bank therefore provides information about the Bank on the its website (www.tmbbank.com) in both languages, Thai and English. The information can also download.

The Board of Directors' Responsibility for Financial Report

The board has presented responsibilities concerning the company's financial reports alongside the auditor's report in the company's annual report.

Protection against abuse of inside information

The Bank has written policy and guidelines for keeping and preventing abuse of inside information, and information that the Bank not yet disclose to public which significant to change of price or value of share. The Bank has regulation on the use of inside information and also ensure strict compliance to prevent any director, executive or employee in the position or status having opportunity to access to the Bank's inside information or related persons which defined by government agencies from exploiting such information for his/her own benefits or for others' benefits such as trading share before insider information are disclosed to public, using details or confidential information of the Bank/customers to operate business competing with the Bank's/customers' businesses or exploit any benefit from his/her authority and responsibility.

The Bank require that the directors, Chief Executive Officer, Chiefs, Senior Executive Vice President, Executive Vice President or Heads (or equivalent), and Team Heads (or equivalent), in Finance Control, Financial Planning and Analysis, Balance Sheet Management, and other persons defined by Chief Financial Officer shall disclose and report to the Securities and Exchange Commission (SEC) the Bank-issued securities held by them, their spouses and minor children, as well as any changes thereof, such as sale, purchase, transfer or acceptance of transfer of those securities in the report format and within the period of time specified by the SEC.

In addition, the management is required to report on a monthly basis the Bank-issued securities held by directors, management, their spouses, and minor children to the Board for acknowledgement, and to prepare a summary report on any changes of the Bank-issued securities held by directors, management, their spouses, and minor children and disclose such information in the annual report.

Part 5 Responsibilities of the Board of Directors

The Bank requires that the Board of Directors' structure has diversity of necessary experiences, professional skills, expertise and gender. The Board shall contain proper composition of members according to the resolution of annual general meeting. The Board shall also establish a clear scope of responsibilities with balance of management power without allowing any person or group of persons to have unlimited power. For recruitment of directors, the qualification of directors must be aligned with the Bank's strategy. In some case, the Bank recruit's new directors form Director Pool data base. (see item Nomination of independent director and non-executive director)

Composition of the Board of Directors

The Board shall comprise non-executive directors, executive directors and independent directors. The independent directors shall have at least the number set by the Capital Market Supervisory Board. Each independent director must have qualifications as prescribed by the Bank which are more stringent than the criteria set by the Capital Market Supervisory Board.

The Board of Directors consists of 14 directors who have knowledge, experience, professional skill, and expertise in diversified fields as follows:

5 Independent Directors,

8 Non-Executive Directors (1 director is under nomination process)

1 Executive Director

The shareholders can be assured that the directors as representatives of the shareholders could perform their duty independently and there is appropriate balance of power.

Board Meeting

The Board meeting shall be held at least once a month. In an urgent case, the Board may arrange a special meeting as deemed necessary. The meeting date shall be scheduled in advance so that the Board members are able to plan the attendance of every meeting. The meeting agenda shall be endorsed by the Chief Executive Officer and approved by the Board Chairman.

The Bank sends the meeting documents and invitation letter to directors at least 5 business days in advance so that the directors will have sufficient time to study and consider in advance the information to support their decision making on each agenda. The directors can additionally request necessary information regarding the meeting agenda from the management. The average length of the meeting is approximately 3 hours. The Chairman shall declare the meeting open and proceed with the business on the agenda. The time shall be adequately allocated for the management to present the information and for the Board members to make careful consideration before decision making. The voting of each agenda, the Board almost pass unanimously. The Chairman shall summarize issues as the meeting resolution. Directors who have conflict of interest on that agenda shall leave the meeting and shall have no right to vote.

The Board Secretary is responsible for preparation of written minutes of the meeting, arrangement of systematic filing for inspection and submission of the minutes to the government agencies within the specified period. See more detail of the meeting attendance of the Board of Directors and board committee members in "Board of Directors' meeting".

In 2020 Directors in Board of Directors had attend the meeting by average at 95.39% of the total meetings arranged during the year, in the meeting all directors had participated and provided the useful recommendation for the bank business.

Non-Executive Directors and Independent Directors' Meeting (without Executive Directors)

Non-executive directors and independent directors shall arrange meeting without presence of the executive directors to consider and discuss important issues. Normally the meeting shall be arranged after the Board of

Director's meeting. The meeting among the independent director, and meeting among the non-executive director was arranged 2 meetings on July 22, 2020 and October 28, 2020.

In addition, the meeting between Audit Committee Chairman and Risk Oversight Committee Chairman for discussion the efficiency of the risk management was also arranged on 22 December 2020.

Segregation of Duties and Balance of Power of Non-Executive Directors

Chairman of the Board of Directors, and Chief Executive Officer shall not be the same person to prevent any person or group of persons to have unlimited power and to ensure balance of power. The Chairman of the Board of Directors shall not serve in any position of the committees.

Segregation of Duties, Roles, and Responsibilities between the Board of Directors and Executive

Member of the Board (except the executive directors) shall not be the Bank's staff and shall not involve in normal daily executive activities of the Bank. The Board of Directors has the Charter or the Corporate Governance Policy which indicate the authority, role, and responsibility of the Board of Director that specified the framework of role that will be referred when supervision.

Terms of Directorship

The terms of directorship shall be in accordance with Clause 17 of the Bank's Article of Association which states that at each annual general shareholders' meeting, at least one third of the directors shall retire. Should the total number of directors cannot be divided exactly by 3, the number of directors closest to the 1/3 ratio shall apply. Retiring directors may be re-elected.

Term of directorship for independent director was indicated in the bank policy that each independent director shall have term of directorship not longer than 9 consecutive years starting from the appointed date. If any independent director has its term of directorship for 9 consecutive years, he or she is required to retire for at least 2 years prior to be re-elected as independent director. (see item 9.3 : Independent director and director nomination criteria)

Role Assumption of Directorship in Other Companies

To ensure that the directors have adequate time to perform their duties for the Bank, the Board limits directors from assuming a position in other companies as per regulations of the SET, the SEC and the Bank of Thailand, taking into account the effectiveness of the directors assuming position in companies. Details are as follows:

1. A director of the Bank may assume directorship in not more than 5 listed companies * (both domestic and offshore).
2. Directors of the Bank are able to assume a position or several positions, including chairman of the board, executive director, or an authorized signatory director in other companies in not more than 3 business groups (both domestic and offshore). A company that is not a part of a business group shall be treated as one business group.
3. Directors shall disclose the information regarding assumption of directorship in other companies to the Bank as per regulatory requirements and the Bank's regulation.

Remark * included TMB i.e. TMB and other four listed companies.

Assumption of Position in Other Companies by Chief Executive Officer

The Chief Executive Officer of the Bank shall perform full-time duties for the Bank. An assumption by the Chief Executive Officer of any position in other companies or organization shall require approval by the Board.

Roles and Responsibilities of Chairman of the Board of Directors

The chairman is responsible for leading the board. The chairman's duties should at least cover the following matters

(1) Oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the company's objectives.

(2) Ensure that all directors contribute to the company's ethical culture and good corporate governance, joint consider with Chief Executive Officer in determine the board of director's meeting agenda and oversee that significant issues were incorporated in the agenda.

(3) Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.

Chairman shall be chairperson in the board of director meeting and the bank's shareholders' meeting.

Chairman of the Board of Director is non-executive director which in line with the Corporate Governance Notification which stated that Chairman could be independent director or non-executive director.

Roles and Responsibilities of Chief Executive Officer

The Chief Executive Officer's principal duties are to implement the Bank's strategies, plan, and ensure the smooth functioning of the Bank according to the policies set by the Board. The Chief Executive Officer has ultimate responsibility for the performance of the Bank.

Directors' Remuneration

The Board has fairly set the directors' remuneration criteria, compositions and amounts based on Fiduciary Duty at appropriate level. In addition, the directors' remuneration shall be in accordance with accountability and responsibility of the directors compared with the companies in the listed companies as well as the companies in the same industry and similar size. See more details in "Directors' Remuneration".

Directors' Bonus

The Board has important role in policy's setting, oversee the Bank's performance, and there are strong and sustain performance. The Board fairly set the directors' bonus in proper rate and consistent with the Bank's performance as well as comparable to that of the industry in which the Bank operates. The Nomination, Remuneration and Corporate Governance shall consider the directors' bonus, and then propose it to the Board for endorsement, and also include it in the agenda of the annual general meeting of shareholders for approval. The Board shall ensure that the Bank discloses the bonus of each individual director in the reports such as Form 56-1 and annual report in compliance with the regulatory requirements. See more details in "Directors' Remuneration".

Directors' Performance Assessment

The NRCC had made consideration of the method, scope, criteria of assessment of directors' performance of duties in Board and Board Committees as well as individual director by applying self-evaluation and cross evaluation before submission to the Board meeting for approval. This is to reflect their performance efficiency and problems and obstacles during the year, the recommendation will be gathered for improvement consideration, and will send the assessment form that is approved by the NRCC to all directors.

Assessment's Criteria

The criteria for assessment cover various areas including Structure of the Board, Board meeting, the Board's and Board Committees' performance of duties, Relationship with management, Self-development of directors, and Board's practice of Roles and responsibilities of the Board.

Assessment's Process

The self-assessment is undertaken as follows:

1. Assessment of the whole Board of Directors' performance, the performance of each board committee (i.e. Board of Executive Directors, Audit Committee, NRCC, Risk Oversight Committee, Credit Committee, IT Oversight Committee)

2. Self-assessment of individual Board member

3. Cross assessment

Assessment's Method

1. The self-assessment of the Board of Directors shall be made by all Board members.

2. The self-assessment of the board committees shall be made by all members of the board committees, member of the Board (by volunteer) and the Bank's executives who take position in the board committees on an individual committee basis.

3. The self-assessment of individual board members shall be made by all board members.

4. Cross assessment which the member of Board of Directors shall assess each director.

topic	Board of Directors	Sub-committees
1.Assess the efficiency 1.1 board of director 1.2 sub-committees	✓	✓
2.Individual assessment	✓	✓
3.Cross assessment	✓	

NRCC shall report the result from the assessment and propose to Board of Director for acknowledgment and report result of Sub-Committee to the Chairman of Sub-Committees to review and adjust the relevant process for the efficient meeting.

Enhancement of Directors' Training and Performance

The Bank encourage the directors to participate in training courses to expand their knowledge at least one course related to their directorship, which are provided by Thai Institute of Directors (IOD) such as Director

Accreditation Program (DAP), Director Certification Program (DCP) or other programs which are relevant to good corporate governance, Anti-Corruption, director's roles and responsibilities under the laws and relevant government regulations or the bank's business operations. This aims at enhancing directors' skills and competency, and the Bank shall be responsible for all expenses.

In addition, the training course for directors shall be arranged with the alignment with the bank's strategy and directors such as Economic and Sectoral Outlook: A High – Frequency Data Perspective, Personal Data Protection Act, Cybersecurity and Privacy for BoD.

The Bank encourage foreign directors who do not reside in Thailand to participate in professional director training courses from abroad which is equivalent to the programs provided by Thai Institute of Directors (IOD) as well as support them to take Thai Institute of Directors training course.

Whenever there is an appointment of new director, If the new director did not have the director's training record, the Bank shall provide the IOD training course for receiving the information with respect to the directors' role and the responsibility according to the legal, as well as the guideline for director's duties according to SET, SEC rules and guidelines including the good corporate governance. The Bank also provide the internal training courses for directors for improvement in term of the bank's business operation and director's responsibility.

Currently, 4 of the existing directors had joined DCP program, 1 director joined DAP program and 4 directors joined both DCP and DAP. Furthermore, the Bank also provides internal training for directors to enhance knowledge about to the Bank's business and director's responsibilities.

New Director Orientation

The Bank provides an orientation for new directors whenever there is a change of director. Director's manual, documents and useful information are provided to support the important information and prepare the new directors in performing his/her duty through electronic media. In this regard, the Company Secretary and Corporate Counselor shall have the following responsibilities:

- To provide the Bank's Information such as the Bank's history, important official documents, major shareholders, vision and mission, financial statements, business structure, management structure, term of directorship, directors' remuneration, etc.
- To provide information on the regulations and best practices for directors, e.g. rules and regulations for directors of related regulatory agencies, the Bank's policies and practices for directors, do's and don'ts for Bank directors, director fiduciary duty checklist, directors & officers liability & corporate reimbursement insurance.
- To arrange meeting with the Bank's executives to enquire in-depth information about business operation of the Bank. Bank also inform the new regulations rule and laws for the directors acknowledgement.

Executive Succession Plan

The executive succession plan is prepared by the Bank as it is a key composition of the personnel strategic planning. The Bank has policy, work plans, and procedures in connection with its vision, mission and business goal as well as organizational culture to ensure that the executive succession is carried out smoothly and the succession personnel shall be prepared to ensure continuous operations of the Bank.

Board of Directors

Board of Directors regularly monitors the management's implementation to ensure that the Bank's vision & mission and strategies is effectively, efficiently and sustainably achieved.

Principles of Corporate Governance of the Bank

1. The Bank shall operate business with care, efficiency, and effectiveness for stability and sustainable growth in accordance with its organization culture, WE CARE: We care about customers' financial well-being enough that we dare to do things differently. We are customer-centric in everything we do to truly improve their financial well-being.

2. The Bank shall operate business in compliance with good corporate governance principles without fraud and corruption, and based on key fundamentals of accountability, responsibility, equitable treatment, loyalty, and transparency.

3. The directors and employees shall protect the Bank's benefits, whilst taking into account the benefits, rights and equality of stakeholders. This will enhance the confidence of both domestic and foreign investors and contribute to an increase of the Bank's share value.

4. The Bank shall operate business in compliance with laws, rules and regulations, and relevant regulatory requirements.

5. The Bank shall determine guideline to treat the stakeholders with fairness and transparency.

6. The Bank shall prevent any conflict of interest among the Bank, directors, employees and stakeholders, and to determine scope of responsibilities of the Board and executives to stakeholders.

7. The Bank shall determine comprehensive operational procedures, efficient internal control, as well as risk management system at international standard.

8. The Bank shall accurate, complete and timely disclosure of the Bank's financial report and information affecting the decision-making.

9.2 Board Committees

To achieve effective and efficient performance, the Board has appointed board committees to relieve its burden in monitoring or consideration of important businesses of the Bank. The board committees have the authority to make decision on behalf of the Board subject to the Board's delegation of authority.

The Board has determined the scope of duties and responsibilities of the board committees in accordance with their missions. The segregation of duty is clearly defined without duplication of work, as well as in compliance

with the regulatory requirements. In addition, the board committees' meetings must be held on a regular basis to report their performance for the Board' acknowledgement.

The board committees comprise of :

1. The Board of Executive Directors
2. Audit Committee
3. Nomination, Remuneration and Corporate Governance Committee
4. Risk Oversight Committee
5. Credit Committee
6. IT Oversight Committee

(1) Board of Executive Directors

As of December 31, 2020, the Board of Executive Directors was composed of 6 members as below, the Board of Executive Directors' meeting is usually held twice a month or as deemed necessary and instructed by the Chairman of the Board of Executive Directors:

Name	Position	Note
1. Mr. Philippe G.J.E.O. Damas	Chairman	Non-Executive Director
2. Mr. Suphadej Poonpipat	Vice chairman	Non-Executive Director
3. Mr. Somjate Moosirilert	Committee Member	Non-Executive Director
4. Mr. Chumpol Rimsakorn	Committee Member	Non-Executive Director
5. Mr. Michal Jan Szczurek	Committee Member	Non-Executive Director
6. Mr. Piti Tantakasem	Committee Member	Executive Director (Chief Executive Officer)

Mr. Kiangkrai Phurivitvattana is Secretary to the Board of Executive Directors.

The scope of responsibilities is as follows:

1. To review business performance of the Bank in details on behalf of the Board.
 - 1.1 Review and recommend annual budget and business plan of the Bank including capital planning.
 - 1.2 Conduct tracking of financial result and performance by business segment of the Bank.
 - 1.3 Oversee performance of subsidiaries.
2. To review and recommend or approve large capital expenditure in relation to plan and strategy according to delegation of authority.
3. To review and recommend new business models that are strategic for the Bank including equity participation.
4. To monitor progress of transformation that build capabilities of the Bank for the future.
5. To monitor progress of the branding and corporate communications programs.
6. To review the overall performance of the Chief Executive Committee and provide advice to management as appropriate on urgent or important issues and review the critical issues raised by the management and propose to the Board.

7. Oversee the Bank's digital transformation and IT investment plans to ensure sufficient investment in IT architecture, infrastructure and supporting systems to effectively support the digital transformation that covers digital business, security, and risk.
8. Ensure appropriate governance on customer data management, data quality, and information security.
9. Review control, implementation and monitor IT security and cybersecurity controls (threats and vulnerabilities) to ensure reliability, accessibility, security, and stability in accordance with policy and risk appetite, including regular disclosure of IT and cyber security reports to BoD.
10. Appoint any sub-committees to assist the BoED and oversee the clear role and responsibility of such sub-committees
11. Undertake such additional tasks as are related to and considered by the BoED to be necessary to achievement of the foregoing responsibilities or as may be assigned to it by the Board.

(2) Audit Committee

As of December 31, 2020, the Audit Committee comprised of 3 members whose qualifications must conform to the Securities and Exchange Commission's requirements as below, the Audit Committee's meeting is usually held once a month or as deemed necessary and instructed by the Chairman of the Audit Committee.:

	Name	Position	Note
1.	Mr. Praisun Wongsmith	Chairman	Independent Director
2.	Mrs. Chananyarak Phetcharat	Committee Member	Independent Director
3.	Mr. Prinya Hom-anek	Committee Member	Independent Director

Mr. Praisun Wongsmith is Member of the Audit Committee with well experienced and reviewing financial statement.

Ms. Pittimart Sanguansook is Secretary to the Audit Committee.

The scope of responsibilities is as follows:

1. To review the Bank's financial statements to ensure accuracy and adequacy.
2. To review and ensure that the Bank has suitable and efficient internal control system and internal audit, and reviewing to ascertain that internal audit function is independent. Hiring, transferring, removal of Head of Audit shall be concurred by Audit Committee before submission to Nomination Remuneration and Corporate Governance (NRCC) for endorsement and Board of Directors for approval respectively.
3. To evaluate the efficiency and effectiveness of the performance of Head of Audit.
4. To evaluate the efficiency and effectiveness of the performance of Head of Compliance
5. To review and approve the Annual Audit Plan of Internal Audit.
6. To review to ensure compliance with the laws and regulations imposed by the BoT, SEC, SET and other relevant regulators including compliance report prepared by the Bank's Compliance unit.
7. To review and approve the Compliance Policy, Annual Compliance Plan and Annual Compliance Report prepared by Bank's Compliance unit.

8. To select, nominate and recommend remuneration of the Bank's external auditor by taking into account credibility, adequacy of resources, experience and independence including recommend dismissal of the external auditor. The Audit Committee shall meet with the external auditor without the members of executive management being present as often as it determines but at least once a year.
9. To approve audit-related and other services engagements with the Bank's external auditor.
10. To review connected transaction or transaction that may lead to conflict of interest to ensure transactions are conducted and disclosed in compliance with the law and regulation and that transactions are entered with reasonableness for the benefit to the Bank.
11. To prepare audit committee report, signed by the chairman of the Audit Committee, and disclose it in an annual report of the Bank. The report should at least contain the following information;
 - (1) The Audit Committee's opinion regarding the accuracy, completeness and integrity of the Bank's financial statements.
 - (2) The Audit Committee's opinion regarding adequacy of the Bank's internal controls.
 - (3) The Audit Committee's opinion regarding compliance with applicable laws and regulations.
 - (4) The Audit Committee's opinion regarding suitability of the Bank's external auditor.
 - (5) The Audit Committee's opinion regarding transaction that may lead to conflict of interest.
 - (6) The number of the meeting held during the year and number of each member's attendance.
 - (7) Overall opinion on the discharge of Audit Committee's duties according to its charter.
 - (8) Other information, within the scope of the roles and responsibilities of Audit Committee, which is deemed to be necessary for shareholders and general investors.
12. To commence investigation without delay upon being informed by external auditor of suspicious circumstance and report to SEC and external auditor the preliminary result within 30 days. The committee also is to report to the Board of Directors so that the Board can rectify the issues within the timeline specified by Audit Committee on the following findings or suspected transactions or actions:
 - (1) Conflict of interest;
 - (2) Fraud, possible fraud, or significant deficiency of internal control;
 - (3) Breaching of the applicable laws and regulations.

In case where the Board of Directors or executive management fail to rectify the issues within the specified timeline, Audit Committee shall report to BOT, SEC and SET, and ensure disclosure in the Bank's annual report.

13. To perform appropriate action upon being informed of suspicious circumstance by internal staff and/or external parties including whistleblowers.
14. To review the appropriateness of corrective measures and actions taken by management in response to the reports or instructions from BOT, SEC and SET and any other relevant regulators.
15. To review the accuracy and reliability of the financial statements of the Bank's subsidiaries, and to review compliance with the policies, processes and standards set by the Bank for its subsidiaries, including those related to internal controls and audit.

16. To perform any other duties as delegated by the Board of Directors and agreed by the Audit Committee
17. To perform other duties as required by law.

(3) Nomination, Remuneration and Corporate Governance Committee

As of December 31, 2020, the Nomination, Remuneration and Corporate Governance Committee comprised of 5 directors not holding executive position as below, the meeting of this Committee is usually held once a month or as deemed necessary and instructed by the Chairman of the Nomination, Remuneration and Corporate Governance Committee.:

	Name	Position	Note
1.	Mr. Philippe G.J.E.O. Damas	Chairman	Non-Executive Director
2.	Mr. Somjate Moosirilert	Committee Member	Non-Executive Director
3.	Mr. Chumpol Rimsakorn	Committee Member	Non-Executive Director
4.	Mr. Teeranun Srihong	Committee Member	Independent Director
5.	Mr. Willem Frederik Nagel	Committee Member	Independent Director

Ms. Vijitra Thumpothong is secretary to the Nomination, Remuneration and Corporate Governance Committee.

The scope of responsibilities is as follows:

Nomination

1. Review and recommend to the Board policies, criteria and methods, including an appropriate skills matrix, for the recruitment selection and nomination of
 - (a) Members of the Board
 - (b) Members and chairpersons of each Board Committee
 - (c) Representatives of the Bank as directors, chairpersons and chief executives of companies which are subsidiaries or where the Bank is entitled to nominate one or more representatives as director
 - (d) Senior management
2. Screen, shortlist and propose to the Board for nomination or appointment qualified candidates for the positions mentioned above.
3. Recommend to the Board appropriate succession plans for senior management.
4. Review and monitor the implementation and effectiveness of the policies, criteria, methods and plans referred to above and report thereon to the Board at least once a year.

Remuneration

1. Review the overall remuneration structures policies and practices of the Bank as well as oversee the public disclosure thereof, including those on benefits, performance evaluation, incentive awards and severance payments, to ensure they are consistent with the decisions of the Board and the Bank's culture, objectives, strategy and control environment, promote long term shareholder value, and take fair account of the roles, responsibilities, management of risk and performance of the individuals concerned, and of market benchmarks for fairness of all parties; and make recommendation to management and the Board as appropriate.

2. Recommend to the Board (subject to further approval by the shareholders where required) the amount of actual remuneration and benefits of members of the Board and of Board Committees.

3. Approve (or in the case of the CEO of the Bank recommend to the Board for approval) the actual remuneration and benefits, including any incentive award or severance payment, of senior management.

Corporate Governance

1. Review and where appropriate recommend to the Board changes to applicable policies, codes, rules and guidelines including those governance, sustainability and culture to ensure the highest standards of good corporate governance and ethics in line with best international practice, and supervise, monitor and report to the Board at least annually on the implementation and effectiveness thereof.

2. Recommend to the Board the appropriate size and composition of the Board and Board Committees, and the mandates of each Board Committee.

3. Recommend to the Board policies criteria and methods for the periodic evaluation of the performance of the Board and Board Committees, implement the same and report the results to the Board.

Other Responsibilities

1. Undertake such additional tasks as are related to and considered by the NRCC to be necessary to achievement of the foregoing responsibilities or as may be assigned to it by the Board

2. Make such reports and disclosures on its work to the Board, regulators, shareholders and the public as are required by applicable regulations or deemed appropriate in the interests of good governance.

(4) Risk Oversight Committee

As of December 31, 2020, the Risk Oversight Committee comprised of 6 members, the meeting of this Committee is usually held monthly or as deemed necessary and instructed by the Chairman of the Risk Oversight Committee.

as follows:

	Name	Position	Note
1.	Mr. Willem Frederik Nagel	Chairman	Independent Director
2.	Mr. Teeranun Srihong	Committee Member	Independent Director
3.	Mr. Prinya Hom-anek	Committee Member	Independent Director
4.	Mr. Yokporn Tantisawetrat	Committee Member	Non-Executive Director
5.	Mr. Piti Tantakasem	Committee Member	Executive Director (Chief Executive Officer)
6.	Mr. Johannes Franciscus Grisel	Committee Member	Management (Chief Risk Officer)

Ms. Chaowanat Kitpracha is Secretary to Secretary to the Risk Oversight Committee.

The scope of responsibilities is as follows:

1. To propose to the Board a framework and policies for risk governance and overall risk management, including major risks such as credit risks, market risks, liquidity risks, operational risks, strategic and reputational risks, etc.

- 1.1 To advise the Board on appropriate risk related policies, appetite, tolerance and strategy for the Bank and its business units including authority or the delegation of authority to approve credit.
- 1.2 To recommend the risk and concentration levels for approval by the Board, in alignment with the Board's risk appetite.
- 1.3 To approve significant policies and framework that govern the management of risks, including risk governance matters, and which have been delegated to ROC by the Board.
- 1.4 Ensure and regularly review appropriate Technology, Information and cyber risk governance, policy, and appetite that meet international standards
- 1.5 Regularly monitor Technology, Information and cyber risk governance, policy, and appetite that meet international standard.
- 1.6 Regular monitor Technology, Information and cyber risk against appetite as a part of overall risk oversight
2. To formulate strategies that are consistent with the risk management policy and which can assess, monitor, and ensure that the financial institution's risks are at appropriate levels.
 - 2.1 To approve the supplemental risk limits as defined in the relevant policies and frameworks.
 - 2.2 To review the adequacy of the Bank's risk management policy and systems, and the effectiveness of policy and systems implementation in terms of identifying, measuring, aggregating, controlling and reporting these risks by top management and Chief Risk Officer.
 - 2.3 To review and monitor all risks and risk management practices, including internal control and compliance processes and systems.
3. To approve the appointment, review of committee structure and composition, and roles and duties of the management – level risk management committees.
4. To report the risk management performance and all risk management matters and measures to the Board, and to consult and exchange views with the Audit Committee in order to assess if the risk management policies and strategies cover all existing and new types of risk facing the financial institution and if the implementation of such policies and strategies are effective and efficient.
5. To advise on the development and maintenance of a supportive culture, in relation to the management of risk, appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact of their actions on the Bank and its business units.
6. To advise on the alignment of compensation structures in relation to the management of risk, within the Board's risk appetite.
7. Appointment, transfer, removal of CRO and performance appraisal of CRO's performance shall be concurred by Risk Oversight Committee and acknowledge CRO's KPIs.
8. To perform other duties as delegated by the Board of Directors or regulatory requirements.

(5) Credit Committee

As of December 31, 2020, the Credit Committee composed of 4 members. The Credit Committee's meeting is usually held twice a month or as deemed necessary and instructed by the Chairman of the Credit Committee.

	Name	Position	Note
1.	Mr. Chumpol Rimsakorn	Chairman	Non-Executive Director
2.	Mr. Yokporn Tantisawetrat	Committee Member	Non-Executive Director
3.	Mr. Piti Tantakasem	Committee Member	Executive Director (Chief Executive Officer)
4.	Mr. Johannes Franciscus Grisel	Committee Member	Management (Chief Risk Officer)

Mr. Ekanat Kieatinapasin is Secretary to the Credit Committee.

The scope of responsibilities is as follows:

1. To approve followings:

1.1 Credits

1.2 Credit restructuring

1.3 NPL write-off

1.4 NPA acquisition, NPA sales and NPA write-off which exceed the management's approval authority, and are NOT related parties or group limits NOT exceeding the Single Lending Limit (SLL).

2. To review specific credit proposals for related parties or in which group limits exceed the SLL prior to submission to the Board for approval.

3. To review the credit decisions of the most senior executive credit committees.

4. To approve credit and related risks for transactional investments or underwriting commitments which exceed the management's approval authority.

5. To perform other duties as delegated by the Board of Directors or regulatory requirements.

(6) IT Oversight Committee

As of December 31, 2020 the IT Oversight Committee comprised of 6 members, the meeting of this Committee is scheduled 6 times per year or as deemed necessary and instructed by the Chairman of the IT Oversight Committee.

	Name	Position	Note
1.	Mr. Teeranun Srihong	Chairman	Independent Director
2.	Mr. Prinya Hom-anek	Committee Member	Independent Director
3.	Mr. Michal Jan Szczurek	Committee Member	Non-Executive Director
4.	Ms. Chananyarak Phetcharat	Committee Member	Independent Director
5.	Mr. Willem Frederik Nagel	Committee Member	Independent Director
6.	Mr. Piti Tantakasem	Committee Member	Executive Director (Chief Executive Officer)

Mr. Sutthikan Rungsrithong is Secretary to IT Oversight Committee.

The scope of responsibilities is as follows:

1. Oversight IT Strategy, IT Management and IT Operations by
 - Review IT strategy at least annually to ensure:
 - The alignment of IT strategy and Bank's strategic direction
 - IT infrastructure is flexible, reliable, and scalable to support the business changes including new technology adoptions
 - The readiness or maturity level of Information Technology including capabilities to manage and mitigate IT and cybersecurity risks
 - Monitor the progress of strategic and high-risk IT-related projects
2. Oversight IT Risk Management of both normal and crisis situation by
 - Review IT Risk Management Policy at least annually
 - Oversight operating model and organization structure according to three lines of defense principle
 - Monitor risk levels, effectiveness of IT risk management and significant factors/ issues as well as rectification actions
3. Oversight IT investment and expenditures to ensure the alignment with Bank's strategy
4. Oversight development programs for staffs to have sufficient knowledge on Information Technology and IT Risk awareness
5. Perform other duties as regulatory requirements

(7) Other committees of Management Level

The Board or the Board Committees will appoint committees in management level for supporting the Board or Board Committee to perform duty under scope and responsibility approved by the Board or Board Committee. Committees in executive level which there are Chief Executive Officer and Chiefs as chairman are as follows:

1. Chief Executive Committee (CEC)

The CEC is to operate long term strategy of the Bank and conduct regular review of progress in achieving its goals. To propose the Annual Business Plan, Annual Budget, Capital Budget, Headcount Plan to the Board for consideration and approval and control headcount against headcount plan, to consider and approve investment, main projects of the Bank, branding, advertising, corporate communication, and measures to deal with crisis situations. In addition, the CEC is to consider strategic plan of subsidiaries and review their performance.

2. Risk Policy Committee (RPC)

The RPC is to assess the integrity and adequacy of the credit management of the Bank, to review and endorse or approve the Bank's credit risk policies, framework, guidelines, credit underwriting guidelines and standards, and credit criteria of products within the delegated authority.

3. Bank Non – Financial Risk Committee (BNFRC)

Non-Financial Risk Committee (NFRC) is to identify, measure and monitor the Operational, Compliance and Legal risks of the Business Units/ Support Units with appropriate quality of coverage (granularity) and to ensure that appropriate management action is taken by the responsible (business) managers at the appropriate level of granularity.

4. Credit Underwriting Committee (CUC)

The CUC is to consider, recommend, and approve for all matters relating to credit risk and issuer risk and approve credit within delegated authority, to endorse credit that exceed approval authority to the Credit Committee for consideration. In addition, the CUC is able to sub-delegation and power to sign to related person.

5. Credit Restructuring Committee (CRC)

The CRC is to approve credit restructuring in management level, to consider and approve for all matters relating to credit risk, investment risk, The CRC is to review status and plan for all matters relating to credit restructuring, nursing period and write off.

6. Asset and Liability Management Committee (ALCO)

The ALCO is to define and decide on the formulation and execution of asset and liability management policies and to endorse/approve for all matters relating to the asset and liability management of the Bank. In addition, The ALCO is to define the policies regarding liquidity risk management, market risk management, balance sheet management, and market risk economic capital management.

7. Project Investment Committee, Digital Strategy Committee

The Committee entitled to endorse IT Strategic Plan and Blueprint to ensure proper alignment with corporate plan, to be informed and updated of the Bank and Market crucial banking technology.

8. Human Resource Committee (HRC)

The HRC is to consider and approve the framework governing the Bank's human resources management policy, compensation standards, rules and regulations, succession plan, performance review, salary adjustment, bonus and incentive award of employees at below Group Head. The HRC is to approve the governance structure of job grading and function title or any issues under HR transformation and also to approve the Bank's human resource development structure and corporate culture.

9. The Disciplinary Action Committee (DAC)

The DAC entitled to decide the disciplinary penalty for guilty employees and the indemnification for the Bank.

10. Customer Management Committee (CMC)

The CMC is in charge of customer experience and ensure that customers' complaints are properly managed.

9.3 Recruitment of directors and top executive officers

For recruitment of directors, the Bank considers Board diversity including professional skills, expertise, experiences, and gender. The Bank required qualification of directors align with the Bank's strategy which prepare in form of skill matrix. In some case, the Bank recruit directors form considering of Director Pool data base.

The Bank has the guideline in nominate the director as following:

Independent director and director nomination criteria**1) Recruitment of Independent Director**

The Bank has been aware that independent directors take a vital role in safeguarding the interests of the Bank and the minor shareholders. To enhance independence of the Board of Directors and manage conflicts of interest pursuant to the regulatory criteria and the corporate governance principles, the Board has formulated criteria for nomination of independent directors from professionals of diversified fields with proper qualifications and experience who can deliver independent opinions and have fairness in the performance of duty by applying skill matrix as the tools for consideration. The Nomination, Remuneration and Corporate Governance Committee shall make preliminary consideration of the nomination of independent directors before submission to the Board meeting or the shareholders' meeting (as the case may be) for appointment thereof. The basic qualifications of an independent director shall be defined by the Bank which more stringent than that under the criteria set by the Capital Market Supervisory Board.

Board of Director establish the independent director qualification that indicate the term of independent director not longer than 9 years consecutively. Any independent director who has their term for 9 years, could be re-elect for another term of independent director after their resignation for 2 years.

Qualification of Independent Directors

1. Not hold shares in excess of 0.5 percent of total voting shares of the Bank, or the Bank's parent company, subsidiary, associated company, major shareholder, or any person with controlling power over the Bank, whilst the number of shares held by any related person of that independent director must also be counted.

2. Not be and have not been a director participating in management role, an employee, an officer, an advisor who receives regular salary, or a person having controlling power over the Bank, the Bank's parent company, subsidiary, associated company, subsidiary at the same level, or major shareholder, unless such independent director has not been a person referred to above for at least two years prior to the date of his/her appointment.

3. Not be a person who having relationship either through bloodline or legal registration as the father, mother, spouse, sibling and child, as well as the spouse of a child of other directors, executives, major shareholders, a person having controlling power, or a person to be nominated as the director and executive or that who has controlling power over the Bank or its subsidiary.

4. Have no or have had no any business relationship with the Bank or its parent company, subsidiary, associated company, major shareholder, or person having controlling power over the Bank, in a manner that may prevent his/her due and independent use of discretion. The independent director shall not be and have not been a shareholder in material respect or a person who has controlling power over the person with business relationship with the Bank, its parent company, subsidiary, associated company, major shareholder, or a person having controlling power over the Bank, unless such independent director has not been a person referred to above for at least two years prior to the date of his/her appointment.

Business relationship in the above paragraph shall cover any ordinary course of business or trade for business engagement purpose, property rent, transaction relevant to asset or service, giving or receiving financial assistance in form of loan or guarantee, offering assets as collateral, and any other similar conduct, which causes the Bank or its counterparty to be liable for debt settlement to another party in an amount equivalent to 3 percent or more of the net tangible assets of the Bank or twenty million baht or more, whichever is lower. The calculation of the said debt is accordance with the calculation of a connected transaction prescribed in the Capital Market Supervisory Board's notification regarding criteria on connected transactions mutatis mutandis. However, consideration of the said debt shall include the debt incurred during the one-year period prior to the date on which such business relationship takes place.

5. Not be and have not been an auditor of the Bank, its parent company, subsidiary, associated company, major shareholder, or a person having controlling power. The independent director shall not be and have not been a shareholder in material respect, a person having controlling power, a partner of an auditing firm for which the auditor of the Bank, or that of its parent company, subsidiary, major shareholder, or a person with controlling power over the Bank has been working, unless such independent director has not been a person referred to above for at least two years prior to the date of his/her appointment.

6. Not be and have not been a professional advisor, including legal or financial advisor, who obtains fee more than two million baht a year from the Bank, its parent company, subsidiary, associated company, major shareholder, or a person having controlling power. The independent director shall not be and have not been a shareholder in material respect, a person with controlling power, or a partner of such professional service provider, unless the independent director has not been a person referred to above for at least two years prior to the date of his/her appointment.

7. Not be a director who has been appointed as a representative of the Bank's director, the major shareholder, or the shareholder related to the Bank's major shareholder.

8. Not engage in the business of the same nature as or competing with that of the Bank or its subsidiary. The independent director shall not be a partner in material respect in a partnership, or director participating in management role, an employee, officer, or advisor obtaining regular salary, or a shareholder holding more than one percent of total voting shares of any other company which engages in the business of the same nature as or competing with that of the Bank or its subsidiary.

9. Not maintain in the independent director position longer than 9 years, unless they have been discharged from such positions or status for no less than 2 years prior to the day the appointment

10. Not have any characteristics that prevent the director from giving independent opinions on the Bank's operations.

In this regard, any revision/amendment/relaxation of the criteria or qualifications of the independent directors to be announced later on by the Capital Market Supervisory Board, the Securities and Exchange Commission, the Stock Exchange of Thailand or the Bank of Thailand shall be applied accordingly.

2) Recruitment of Non-Executive Directors

The Board of Directors has put in place a definite and transparent director nomination policy and process. the Nomination, Remuneration and Corporate Governance Committee is responsible for the selection, screening, and nomination of qualified persons to the Board of Directors for consideration before proposing to the shareholders' meeting for further election as directors of the Bank. Apart from the qualifications prescribed in the Bank's Articles of Association and the appropriate personal qualifications, the persons nominated must be competent, knowledgeable and experienced in bank and relevant business operations with the possession of leadership skills, visionary and strategic ideas that can lead the Bank to a strong and long-term sustainable growth and must be able to dedicate their time for the optimum benefits of the Bank.

In case of vacancy due to the resignation of a director before finishing the term, the Board of Directors shall appoint a person to fill the vacant position through the nomination made by the Nomination, Remuneration and Corporate Governance Committee. The said new director shall hold office only for the remaining term of office of the director whom he/she has replaced, unless remaining duration of director's term of office is less than two months.

The shareholders are allowed to vote for the election of directors by individual. This voting use the majority votes of the shareholders who attend the meeting and have voting rights.

3) Appointment of member of the Board Committees

For appointment of board committees' members, the Nomination, Remuneration and Corporate Governance Committee shall consider and endorse the nominees before submission for approval and appointment by the Board of Directors. The selection is based on the expertise specifically required for each particular board committee. Members of the board committees shall have professional skills, specific experience, and free from conflict of interest. In addition, each committee shall have the composition and qualifications as prescribed by the regulatory criteria as well as Board Skills Matrix.

4) Recruitment of Executive

In the appointment process of the executive at "Head of" level and above, the Nomination, Remuneration and Corporate Governance Committee is responsible for consideration to acquire and screen the qualified persons from both internal and external sources as defined by the Bank's rules and regulations. Moreover, criminal and NCB checked are required. Then the nominated persons will be proposed to the Board of Directors for approval as well as other required functions to comply with laws and regulations of government authorities related to financial service business.

Regarding the appointment process of the executive at "Team Head" level and below, the executive shall consider, select and appoint qualified persons as deemed appropriate.

The succession plan for key positions has been established and reviewed annually. In this regard, the recruitment process to fill the position of the executive who will soon complete a specific term shall be made by the Nomination, Remuneration and Corporate Governance Committee duly in advance.

Performance Appraisal of the Chief Executive Officer

Nomination, Remuneration and Corporate Governance Committee has been assigned to appraise the CEO's performance as well as year-end 2020 in area of profitability, cost efficiency, ability to generate future income, risk management, digital transformation, people's culture, and sustainability.

9.4 Subsidiaries Supervision

The Bank has determine the management and control structure of the subsidiaries in aspect of generating strategic plan and nominating representative directors to jointly manage the subsidiaries and reorganize to take responsibility of the subsidiaries as appropriate.

9.4.1 Mechanism for Supervision

The Bank has mechanism to supervise subsidiaries for controlling the operation of subsidiaries in which to keep benefit covering investment, The Board of Directors has determined "Consolidated Supervision Policy", which includes policies as follows

1. Accounting Policy

To determine the accounting and financial report policy for the Bank to collect related information from the subsidiaries for generating consolidated financial report correctly, in the same direction and in compliance with the Bank of Thailand's rule and regulation and analyzing performance and financial status of the subsidiaries correctly and promptly for controlling and following.

2. Corporate Governance Policy and Policy on Confidential & Insider Information and Conflicts of Interest

Corporate Governance Policy determine the policy for the subsidiaries to conduct under business ethic and the morality and the best practices are concerning in good corporate governance and best practices which should be in line with Good Corporate Governance Policy.

Policy on Confidential & Inside Information and Conflicts of Interest is applied both the bank and the subsidiary companies to prevent conflict of interest issue and misusing the internal information and aligned with the bank's policy.

3. Anti-Corruption Policy

Anti-Corruption Policy determine the policy for the subsidiaries to conduct in the same manner of the Bank, as well as applying the relevant laws on such matter. This is to support the bank and subsidiaries' intention in anti-corruption, anti-bribery dealing with either government or private sector.

4. Risk Management Policy

To determine the risk management policy of the subsidiaries covering various aspects of risk relating to companies' performance and impacting the stability of the Group Companies including market risk management, liquidity risk management, operational risk management, credit risk management, market conduct risk management, and recovery plan.

5. Compliance Policy

To determine the policy for the subsidiaries to conduct under Compliance Policy and relevant Regulatory Policy such as Regulatory Compliance, Bank of Thailand's Regulatory, Compliance and Know your Customer, Anti-Money Laundering Act, and Counter Terrorism Financing Act.

6. Corporate Communication Policy

To determine the policy for the subsidiaries to conduct in the same way and promote Bank image in aspect of name and brand and disclose information of the subsidiaries.

7. Audit Policy

To determine the roles of Internal Audit (AUD) and the Audit Committee's oversight role in conjunction with the roles of the Bank management and external auditor on auditing, controlling and monitoring the Group Companies. The ultimate objective is to ensure sound control culture and good governance throughout the Financial Business Group.

9.4.2 Representative Director Appointment

The objective is to manage and control the subsidiaries carefully under consolidated supervision policy, the Bank sets guideline of representative director appointment as follows:

1. The Bank nominates directors by proportion of the Bank's shareholding.
2. Chairman of the Board must be appointed by the Bank's Board of Directors.
3. Managing Director or Chief Executive Officer's nomination must be endorsed by the Bank's Board of Directors. (The nomination of Managing Director of all companies in Solo Consolidation Group must be approved by the Bank of Thailand).
4. Chief supervising the subsidiaries companies proposes the Bank's executives as representative directors by:
 - 4.1 Propose to the Board of Directors (BoD) the appointment of new representative directors through Chief Executive Committee (CEC), and Nomination, Remuneration and Corporate Governance Committee (NRCC) respectively or other guidelines that will be set up by the Board of Directors in the future.
 - 4.2 Review of existing representatives, propose to NRCC for approval with CEC endorsement and BoD acknowledgment.
5. The Bank may consider appointing outside expert to be a director as appropriate.
6. Representatives core qualifications:
 - The person with no conflict of interest with the company business (declared in CG 001-01 (1) form)
 - The person with no prohibited characters (referred to BOT requirements)
 - The person who in relevant function(s) or the company business is in areas of expert
 - The person who complied with specific authority requirement (if any) i.e. SEC and OIC

7. The person who is appointed to be a representative director could be appointed as managing director or authorized director or others. However, such person must not be appointed in aforementioned positions in more than 3 business groups.
8. Bank's representative director has no conflict of interest with the Company to which the Bank will send the representative director.

9.4.3 Duty of Representative Directors

1. All representative directors shall not receive any remuneration in terms of cash and non-cash for being representative directors.
2. Attend all Group Companies' Board meetings to determine the Group Companies' Policies and Strategies to align with the Bank, which a lead director will work with
 - 2.1 Strategy and Transformation to ensure timely communication of direction and strategy from the Bank to representative Directors regarding business matters.
 - 2.2 Related Chief/BU regarding oversight in TMB risk management area shall regularly report the summary of risk issues of the group companies to ROC of the bank every 6 months or as deem appropriate.
3. Supervise the operation of the subsidiaries to be compliance with Bank's policies, plans, rule and regulation efficiently and effectively, as well as ensure no Conflict of Interest issue.
4. Propose policy, strategy, performance and opinion to the Bank.
5. Report performance of the subsidiaries or any material change that may have an impact on the Bank such as capital increase/decrease of the subsidiaries, business sale and purchase/merging, change in financial status, change in business group or change in rules/regulatory bodies/specific laws of each business.
6. Monitor and protect all benefits of the Bank.
7. Other duty as specified by the Bank.

9.4.4 Transactions that requires approval by the Bank before Voting in the subsidiaries' Board Meetings

1. Policy and strategy that will significantly impact on going business operation or nature of business.
2. Increase or decrease of registered capital.
3. Approvals of dividend payout.
4. Investment or divestiture of other business which subsidiary holds more than 10% of paid-up capital.
5. Selling of core asset.
6. Entering into business contract/agreement that is worth more than 15% of net tangible asset (NTA).
7. Liquidation/ Debt Moratorium /Bankruptcy.
8. Transactions related to the Bank and connected persons to the company following Compliance Policy.
9. Borrowing transaction over 15% of NTA and Letter of Guarantee to third party with transaction over 15% of NTA.
10. Change of image, business format or brand.

11. Other matters that have significant impacts on the Bank's business and the liability for representative directors.

9.5 Control on use of inside information

The bank has the procedure with respect to the non-compliance issue against the Financial Business Act B.E. 2551 and the related notifications according to Securities and Exchange Act B.E. 2535 (as amended) and relevant notifications, anti-corruption and anti-bribery law when doing any activities with private or government entities, insider trading according to Securities and Exchange Act B.E.2535 (as amended), intellectual property law.

In addition, the Bank established Policy on Confidential & Insider Information and Conflict of Interest, and code of conduct for both executives and employee. This is to operate the bank business according to the banking industry code of conduct and transparency as well as equal treatment of all stakeholder.

9.5.1 Policy and procedure on insider information

The Bank has issued Regulations and guidelines in written in Code of Conduct, TMB Policy on confidential & Inside information and Conflicts of Interest including operating manual regarding Conflicts of Interest, Trading & Investment of TMB's Financial Instrument as operating guideline of director, executive, and employee.

Directors and executives are required to sign for acknowledgement and compliance with the practice on reporting the change in the directors and executives securities holding to the Office of Securities and Exchange Commission within 3 days from the date of securities holding change in response to Section 59, Securities and Exchange Act, B.E. 2535(as amended), In addition, they are responsible for reporting such change to the Company Secretary to record the matter and summarize the shareholding portion of the directors and executives and their spouses and children before submission to the Board of Directors for acknowledgement monthly. The Bank also informs them of the penalties given the failure to comply with such requirement.

The Bank is aware of the importance of monitoring the use of inside information, especially non-public information that may impact its share price. As such, The Bank has assigned Financial Regulatory Management to be the only unit responsible for submitting the financial statements and all financial reports to the SET and the SEC after undergoing a correctness and completeness review by the Audit Committee and the Board of Directors respectively to make sure The Bank's inside information is not prematurely disclosed to the public.

Guidelines to prevent inside information the Bank imposed punishment for employees' disciplinary misconduct regarding business code of conduct and ethics to ensure the management and the staff perform duties with transparency and based on professional code of conduct and treat all stakeholders fairly, which is in line with the Securities and Exchange Commission Act regarding the use of inside information. The Bank prohibited the executives and staffs who have permanent or occasionally potential access to the Bank's inside information to trading securities until 24 hours after disclosure information to public. The executives and staffs shall not disclose the Bank's inside information to any of their family members and/or other persons even though the staffs and/or their family members do not sell/buy the securities and/or do not gain any benefit in any form and to prevent for personal benefits and whatsoever or the others' benefits. Moreover, if there is any event that may have an effect to The Bank's

securities price. Bank will set the additional period to prohibit relevant covered person regarding to trading The Bank securities.

Compliance is responsible for supporting Management with the implementation, enforcement and updating of the aforementioned policy and procedure and also provides for appropriate monitoring mechanism to ensure compliance with the policy, operations procedure as well as relevant laws and regulations.

9.5.2 Penalty measures

The Bank's punishment for the violating of Financial Institution Business Act, using of inside information accords with the provisions of the Securities and Exchange Act, violating of Non-Violation Against Intellectual Property Rights or Copyrights, Anti-Corruption, Anti-bribery for the Bank's benefit or Anti-bribery in business dealing with government and private organization and all other relevant rules and regulations of the authorities. It has also imposed punishment for employees' disciplinary misconduct regarding business code of conduct and ethics to ensure the management and the staff perform duties with transparency and based on professional code of conduct and treat all stakeholders fairly.

9.6 Auditor's remuneration

9.6.1 Audit fees

The Bank and its subsidiaries paid audit fees to:

- The Bank and its subsidiaries' auditor in the previous accounting year amounting to THB 26,150,000.
- The respective audit company including individuals or entities related to the Bank's auditor and the respective audit company in the previous accounting year amounting to THB 421,006.

9.6.2 Non-audit fees

The Bank and its subsidiaries paid fees for non-audit services i.e. special purpose audit and engagements to perform agreed-upon procedures to:

- No the Bank and its subsidiaries' auditor in the previous accounting year totaling together with no future payment due to incomplete work in the previous accounting year
- No payment to the respective audit company including individuals or entities related to the Bank's auditor and the respective audit company in the previous accounting year THB together with no future payment due to incomplete work in the previous accounting year.

9.7 Other Corporate Governance Practices

The Bank continuously adheres to the Corporate Governance Policy to ensure that the Bank's management system is efficient, free from corruption, transparent and accountable so as to build trust and confidence among its shareholders, investors, stakeholders, society and all related parties. Regarding the above implementation, the bank received the corporate governance rating for the listed company from IOD as "excellent"

The Bank implemented Corporate Governance guidelines in accordance with the good corporate governance principles of listed companies prescribed by the Principles of Good Corporate Governance for Listed Companies by

SEC's Corporate Governance Code for Listed Company, Criteria of Corporate Governance Report of Thai Listed Companies - CGR by IOD, and international standard such as ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard), Sustainability Disclosure Standard (GRI standard) and Sustainability Reporting Disclosure (SDG)

In 2020, Board of director and sub-committees considered their role and responsibility to align with the regulations and the bank environment which the significant areas of implementation consist of:

Good corporate Governance for listed company	The bank implementation
Board of director's role and responsibility Principle 1: role of Board of director as leadership including the customer treatment according to market conduct Principle 2: set up the organization objective and target for sustainability Principle 3: efficiency Board of Director Principle 4: nominate and develop the executive and human resource Principle 5: support the innovation and conduct responsible business Principle 6: oversee for proper risk management and internal control Principle 7: soundness of financial information disclosure Principle 8: Support on the shareholder's communication and participation	In 2020, The Bank incorporated principle 1 – 8 into the implementation, The additional implementation in 2020 consist of: 1.Preparation of the 2019 sustainability report separately from the 2019 annual report and notification to the shareholders in the 2020 Annual General Meeting of Shareholders 2. Establishment of the IT Oversight Committee 3. Establishment of “Market Conduct” unit to ensure fair treatment to the customers 4. Employee remuneration in the form of share bonus for 3 years during 2020 - 2022 However, the Bank was unable to observe some of the above practices due to the following reasons: 1. Practice guideline which limited the number of directors to 12: <u>The Bank's consideration:</u> The Bank had 14 directors. The increased number of directors was consistent with the structure of the board of directors in the Integration Project as approved by the shareholders at the Extraordinary General Meeting of Shareholders No. 2/2019 2. Practice guideline on complete disclosure of shareholders in detail: <u>The Bank's consideration:</u> Regarding nominee shareholders, it was a normal practice of foreign investors to have a custodian to look after the shares. Therefore, the Bank was unable to disclose their information according to the aforesaid rationale.

In 2020, the directors have attended the additional training courses and seminar as follows:

Directors	Courses
1. Mr. Ekniti Nitithanprapas	2020 Cyber Resilience Leadership: Tone from the Top, BoT 2020 Cybersecurity and Privacy for BoD, TMB - Personal Data Protection Act, TMB - Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
2.Mr. Suphadej Poonpipat	2020 Cybersecurity and Privacy for BoD, TMB - Personal Data Protection Act, TMB - Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
3. Mr. Philippe G.J.E.O. Damas	2020 Cybersecurity and Privacy for BoD, TMB - Personal Data Protection Act, TMB - Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
4. Mr. Praisun Wongsmith	- Boardroom Success Through Financing and Investment, IOD 2020 Cybersecurity and Privacy for BoD, TMB - Personal Data Protection Act, TMB - Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
5. Mr. Teeranun Srihong	2020 Cyber Resilience Leadership: Tone from the Top, BoT 2020 Cybersecurity and Privacy for BoD, TMB - Personal Data Protection Act, TMB - Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
6. Mr. Willem Frederik Nagel	2020 Cybersecurity and Privacy for BoD, TMB - Personal Data Protection Act, TMB - Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
7. Mr. Chumpol Rimsakorn	- Risk Management Programme for Corporate Leaders, IOD 2020 Cybersecurity and Privacy for BoD, TMB - Personal Data Protection Act, TMB - Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB

8. Mr.Yokporn Tantisawetrat	• 2020 Cybersecurity and Privacy for BoD, TMB • Personal Data Protection Act, TMB • Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
9.Mr. Somjate Moosirilert	• 2020 Cybersecurity and Privacy for BoD, TMB • Personal Data Protection Act, TMB • Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
10.Mr. Prinya Hom-anek	• 2020 Cybersecurity and Privacy for BoD, TMB • Personal Data Protection Act, TMB • Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
11.Mr. Michal Jan Szczurek	• 2020 Cybersecurity and Privacy for BoD, TMB • Personal Data Protection Act, TMB • Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
12.Ms.Chananyarak Phetcharat	• 2020 Cybersecurity and Privacy for BoD, TMB • Personal Data Protection Act, TMB • Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB
13. Mr. Piti Tantakasem	• 2020 Cybersecurity and Privacy for BoD, TMB • Personal Data Protection Act, TMB • Economic and Sectoral Outlook: A High-Frequency Data Perspective, TMB

10. Corporate Social Responsibility**10.1 Policy and Direction towards Social Responsibility**

The Bank places importance on good corporate governance, code of conduct for directors, code of conduct for employees, and business operations with responsibility to all stakeholders including shareholders, employees, customers, business partners, creditors, competitors, investors, government agencies, as well as society and environment. This is to ensure that they are treated well, leading in turn to sustainable development of the Bank, society, and the country's economy.

The Bank has policy to operate business for a sustainable growth by enhancing operating efficiency, developing product and service and empowering employees. By adhering to corporate social and environmental responsibility, the Bank aims to create value for all stakeholders. And the Bank did not violate relevant laws including labor laws, employment, consumers, competition.

This policy is aligned with the 8 principles of Corporate Social Responsibility's Guideline of the Stock Exchange of Thailand. Details are as follows:

1. Fair Trade Practice

The Bank is fully aware that it is important to operate its business fairly as stated in the corporate governance policy regarding Role of Stakeholders. The Bank gives priority to equal treatment to all stakeholders to ensure they fully have their rights with fairness and appropriate treatment. The Bank puts in place the system to handle customers' complaints and resolve their problems with prudence and fairness. Customer information shall be kept confidential and strictly complied with the condition on the counterparty's agreement. The Bank's business operations are based on fair, corruption-free and ethical competition. All employees are treated fairly and equally. Training are provided to enhance staff's knowledge, skills and competency. The Bank increases employees' job opportunity by offering internal rotation which also help improve working efficiency. The Bank determines fair compensation scheme which is in line with industry standard. The Bank also promotes corporate governance culture within the organization.

2. Anti-Corruption

The Bank realizes that corruption compromises the stakeholders' confidence in the Bank's operation and that corruption could cause legal penalties, by both civil and criminal law. The Bank provides anti-corruption policy for directors and employees to aware of the risk and corporate governance issue also comply with the appropriate organization's risk management mechanism and monitors them consistently. There are disciplinary measures and penalties for those who fail to comply with the policy. The Bank shall also provide protection and fairness to employees who deny an act constitutes corruption or report an incident of corruption. All of these will help increase the employees' awareness of the anti-corruption culture and ensure that the Bank operates with full transparency. Both director and management are encouraged to aware of the governance risk and proper risk management culture.

3. Human Rights

Respecting human rights is an integral part of TMB's responsibilities. The Bank acknowledges that our business as a financial institution can potentially impact human rights. Thus, we strictly adhere and comply with all national laws and international standards of best practices. TMB requires relevant parties to strictly adhere to the policy and integrate into their business the principles set out in this policy and the approach to human rights issues and stakeholders including directors, employees, customers, business partners, communities and vulnerable and underserved groups such as people with disabilities, indigenous peoples, etc.

4. Fair Labor Treatment

The Bank is fully aware that employees play an important role in driving the Bank's business and bringing positive changes to society. The Bank, therefore, selects, develops, promotes, and retains high caliber staff so that the Bank can achieve its target efficiently and effectively. The Bank ensures appropriate and fair compensation as well as a transparent appointing, transferring, bonus and penalties. The Bank also encourages and supports employees to improve their knowledge and skills. Lastly, the safety of working environment is also provided.

5. Responsibility to Customers

The Bank places importance on maximum customers' satisfaction and confidence in the Bank. It thus aims to genuinely offer quality products that suit for the customer and also disclose the product and service clearly and completely and excellent services to customers by focusing on their needs and benefits. Furthermore, the Bank shall not make unfair terms and conditions, and must follow the business agreement strictly, honestly, carefully and consistently.

In 2020, the Bank set up measures to assist the customers impacted by COVID-19 by determining ways to assist holders of products such as credit card, cash card, auto loan, housing loan, personal loan, and SME loan.

6. Environmental

The Bank places importance on environment preservation through its credit underwriting policy, by not supporting the businesses that could cause both direct or indirect environmental impacts. The Bank also comply with the United Nation Global Compact (UNGC) by providing an environment-friendly work place.

7. Social Development and Community Management

TMB values the importance of community & social development in the way that align with sustainability principles for several ways. The Bank always encourages employee to participate in community improvement projects through FAI-FAH programs by TMB Foundation in order to enhance opportunities and to drive the social responsibility mindset for sustainable change.

Bank also set up the measure to provide communities that were impacted by COVID-19, the Bank held the charity to raise the fund for setting the screening unit of COVID-19, and provide donation channel via application PUNBOON.

8. Innovations and Distribution of Innovations

The Bank encourages employees to creatively develop and improve working process for efficient and effective operations. This results in cost-efficiency improvement, an efficient use of resources, a faster service which leads to an increase in customers' satisfaction.

Materiality

Materiality Assessment Process			
1. Identification Identify and examine sustainability topics that have potential impacts on TMB	2. Prioritization Assess the significance of material topics based on risk assessment criteria, and inputs from relevant functions, top management and stakeholders	3. Validation Review and approve the material topics by Top Management and Board of Directors	4. Review Regularly review the relevance and significance of material issues by engaging with internal and external stakeholders

Material topics that are important to TMB and stakeholders in 2019-2020 consist of 12 topic as follows

- 1 Customer experience
- 2 Digital transformation
- 3 Data privacy and protection
- 4 IT System and cybersecurity
- 5 Corporate governance
- 6 Market conduct
- 7 Risk management
- 8 Talent attraction and retention
- 9 Financial literacy and inclusion
- 10 Responsible lending
- 11 Climate change risk and opportunity
- 12 Our environmental impact

For more detail of projects, see Sustainability Report from www.tmbbank.com/sustainability or scan QR Code.

11. Internal and Risk Management Control**11.1 Opinion of the Board of directors on Internal Control and Risk Management**

Effective Internal control is an important cornerstone of the bank's operating model and strategic direction, both at management and operational levels. The Board of Directors (through the Audit Committee, Risk Oversight Committee, and Nomination, Remuneration and Corporate Governance Committee), Credit Committee, and IT Oversight Committee has been tasked with oversight of internal controls, risk management policies & processes and good corporate governance.

Internal Audit carries out reviews over the Bank's overall operations, related and connected transactions and reports findings to the Audit Committee and the Audit Committee reports to the Board of Directors accordingly. The result of audit report is also a tool for Management to develop process and improve internal controls as deemed appropriate.

The Board of Directors meeting no. 2/2021 held on 24 February 2021, attended by members represented in the Audit Committee, has reviewed the report on the Bank's internal control assessment proposed by Chief Audit Officer. Internal auditors conducted the assessment based on the Internal Control Core Components; (1) Control Environment (2) Risk Assessment (3) Control Activities (4) Information and Communication (5) Monitoring Activities.

The Board of Directors has acknowledged status of Bank's internal control and risk management which are generally at appropriate level by which continuous improvement and monitoring are required in order to cope with changing business risk environment which is more volatile, uncertain, complex and ambiguous including risk factor from outbreak of COVID-19 pandemic. In addition, the Board of Directors has monitored development of internal control improvement by management appropriately; which Audit Committee has recommended management and monitored actions in addressing identified deficiencies from the audit with reporting progress to the Audit committee and the Board of Directors on a regular basis.

11.2 Statement of the Audit Committee

The Audit Committee of TMB Bank Public Company Limited (the "Bank") consisted of three independent directors, who were not the bank's executives or employees of any kind, carried out its responsibilities. The Audit Committee was responsible for carrying out the duties as assigned by bank's Board of Directors in line with the regulations imposed by the Securities and Exchange Commission ("SEC"), notifications of the Stock Exchange of Thailand ("SET") and the Bank of Thailand ("BOT") as stated in the Audit Committee charter stipulated by the Board of Directors

In 2020, the Audit Committee convened 13 meetings in total with the management, top level executives of the related business units and auditors to approve endorse acknowledge and consider numerous matters as of the following:

- Financial Statement

Reviewed the quarterly, year-end and consolidated financial statements of the Bank and its subsidiaries by consulting with the external audits and Chief Financial Officer (CFO), as well as the auditor reporting the findings from the audit to the Audit Committee. The Audit Committee is of the opinion in agreement with external auditor that the Bank's financial reports fairly presented accurate and reliable information in material aspects in compliance with generally accepted accounting principles. In addition, any transactions which may cause conflict of interest were reviewed to verify they were reasonable and appropriate, most of them being found to be in the normal course of business or supporting normal course of business conducted on an arm's length basis.

- Internal Control and Internal Audit

Reviewing the Bank's internal control system and internal audit are suitable and efficient, as well as sufficient anti-corruption measures, inclusive of whistle-blowing processes, independent scrutiny, and protection of the whistle-blowers to ensure that the accused are treated fairly. Consulting with the internal auditors in planning and approving the annual audit plan, considering the adequacy and appropriateness of personnel in the performance and independence of internal audit by monitoring and evaluating the monthly performance and considering examination report of the BOT's and the auditor in order to assess the adequacy of the internal control system.

- Regulatory Compliance

Reviewed the performance of the Bank to comply with laws and regulations, such as the SEC, SET, IOC, AMLO and BOT and acknowledged changes of any rules or regulations that affected operation and ensured the adjustment of operations in response to those changes.

- Independent Auditor

Consider and make recommendations on the appointment of the auditor of the Bank by considering qualifications, capabilities, experiences, independence and quality of previous works and the remuneration of the auditors in line with responsibility by the Board of Directors to propose to the shareholders for an approval of the auditors and the remuneration of the auditors.

- Related Transactions or Conflict of Interest

Related transactions or transactions which may have conflict of interest based on the principle of accountability, transparency and adequate disclosure to the relevant authorities, as reported from business units before proposing to the Board of Directors.

The Audit Committee performed its duties prudently and independently, and provided straightforward comments based on transparency and good governance. The Audit Committee is of the opinion that financial statements have been prepared accurately with adequate information disclosure in line with the financial standard. Independent auditor was independent to perform duties. Transactions and transactions that may have potential conflicts of

interests are reasonable and normal business activities, including adequate disclosure. The internal control and internal audit have been appropriate, effective, and in compliance with laws and regulations. The Bank is generally at appropriate level by which continuous improvement and monitoring are required in order to cope with changing business risk environment which is more volatile, uncertain, complex and ambiguous including risk factor from outbreak of COVID-19 pandemic. The bank continually pays high attention to the internal control execution and enforcement, providing necessary training to the staff including follow up issues, investigation, root causes and corrective measures, imposing of disciplinary action to assure internal control effectiveness. Moreover, Audit Committee has emphasized the management to take remedy actions to address deficiencies identified and report progress to the Audit Committee regularly.

11.3 Gate Keepers

11.3.1 Detail Heads of Internal Audit

The Board of Directors has appointed Ms. Pitimart Saguansook to hold position of Chief Audit Officer. (see more detail of education, work experience, and training in attachment 1).

11.3.2 Detail Heads of Internal Audit and Compliance

The Board of Directors has appointed Mr. Kittichai Singha to hold position of Head of Compliance. (see more detail of education, work experience, and training in attachment 1).

12. Related Transactions**12.1 Transactions with related parties which occurred during the year**

Related party disclosures, which comprised of definitions and characteristics of relationship, pricing policy, related parties transactions with key management and other related parties, outstanding balances with related parties, senior management personnel compensation, other benefits payable to the senior management personnel, were disclosed in notes to financial statements for the year ended December 31, 2020.

12.2 Measures or procedures to approve the making of related transactions

In conducting its business, the Bank shall adhere to its principles, integrity, transparency and maximize its interest by emphasizing the prevention of conflicts of interest and also to related party transactions and connected transactions according to the regulatory requirements. To that effect, the Bank requires that its Directors and Senior Management at Head of level and higher to disclose their relations or connections in any business with any conflicts of interest on a quarterly basis. Moreover, the TMB Policy on Confidential & Insider Information and Conflicts of Interest and a Procedure Manual have been issued and enforced in order to eradicate conflicts of interest. Transactions with related parties or connected persons are carried out by the Bank on an arm's length basis. In addition, the Bank's Directors and Executives who may have conflicts of interest in such transactions are neither allowed to participate in the approval thereof, nor to vote in a meeting.

The Bank has no policy to grant any direct loan to Directors or Senior Management. Loans provided to or investments in any entity in which the Bank, its Directors or Senior Management have conflict of interests are subject to the consideration of the project's viability, operational performance or feasibility analysis with terms, conditions and prices to be the same as those approved for other clients in general. The loan or investment amount must be controlled so that it will not exceed an appropriate limit and is subject to unanimous approval of TMB's Board of Directors. The concerned Directors or Executives shall not participate in the approval of such transaction and the approval must be consistent with the regulations of related authorities.

The Bank has assigned the Audit Committee to prevent and mitigate the conflicts of interest. Those transactions that have potential conflicts of interest that exceed the set threshold values or limits must be submitted to the Audit Committee for validation and/or approval prior to execution. Related and/or connected transactions will be disclosed on a complete and transparent basis according to the criteria of the relevant regulators.

For future related party transactions, the Bank shall continue to adhere to its principles to maximize the interest of the Bank and our shareholders, whereby at a minimum, pricing and terms and conditions will be on arm's length basis in accordance with the above mentioned Policy and Operational Guidelines. Also, the Policy and the Operational Manual will be updated to be in line with the changes of the regulatory requirements and internal criteria.

12.3 Persons who may have conflicts of interest to hold more than a 5% of stake in subsidiary company or associated company instead of direct shareholding by the Bank

The Bank has not allowed any person who may have a conflicts of interest to hold more than a 5% of stake in subsidiary company or associated company on its behalf.