

(Translation)

Corporate Governance Policies

of

Thanachart Capital Public Company Limited

(Revised 2017)

This Corporate Governance Policies of the Company has been reviewed to be in line with the Corporate Governance Code for Listed Companies 2017 and Guidelines for Financial Conglomerates Supervision in accordance with the Bank of Thailand's criteria. The Board of Directors' Meeting of the Company held on 25 September 2017 resolved to approve a revised version of such policy.

Preface

Thanachart Capital Public Company Limited is striving to become a leading successful business organization capable of creating long-term value to our shareholders and stakeholders alike. To this end, the Company is committed to operating business under Good Corporate Governance Principles and Code of Ethics and Business Conduct to provide a framework for ethical business behavior that mirrors our corporate values. The main goal is to encourage employees at all levels to develop themselves and become aware of their roles and responsibilities in discharging duties morally and ethically, as well as to enable the directors, executives and staff members to properly apply these guidelines with strict adherence to righteousness, integrity and honesty and in conformity with applicable laws. The Company believes that sound Corporate Governance and Code of Conduct are a crucial factor for achieving business success, which will thereby generate public confidence and demonstrate the Company and Thanachart Financial Group's positive image.

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Contents

	Page
Business Principles of Thanachart Capital Public Company Limited	3
Corporate Governance Policies:	
- Shareholders: Rights and Equitable Treatment	3
- Rights of Different Groups of Stakeholders	6
- Leadership and Vision	7
- Board of Directors	8
- Committees Other than the Board of Directors	13
- Board of Directors' Meetings	14
- Remuneration for Members of the Board of Directors and Management	15
- Self-Assessment of the Board of Directors	16
- Prevention of Conflict of Interest	16
- Ethics and Code of Conduct	17
- Internal Control Systems	17
- Investor Relations	18
- Information Disclosure and Transparency	19
- Risk Control and Risk Management	20
- Resistance to Fraud and Corruption	20
- Succession Plan for Top Management at Executive Vice President Level and Higher	21
- Disciplinary Consideration	21
- Monitoring of Compliance with the Code of Business Conduct	21
- Policy Revision	21
- Obligation	22
- Queries or Complaints	22
- Non-Infringement of Human Rights and Intellectual Property or Copyright	22

Business Principles of Thanachart Capital Public Company Limited

Business principles of Thanachart Group are guiding the Thanachart Group to achieve its objectives with endure and steady growth as follows:

1. Being able to compete in a fair and ethical manner while achieving strong performance, taking into account both short- and long-term impacts.
2. Conducting business affairs by respecting the rights of shareholders and stakeholders as well as taking on responsibility towards them.
3. Adherence to socially responsible conduct of business affairs, protecting the environment and mitigating negative environmental impacts.
4. Being able to absorb impacts of change and keep going (corporate resilience).

Corporate Governance Policies

Thanachart Capital Public Company Limited (“the Company”) is confident that good management processes that are transparent and on a par with international standards will enhance its competitiveness and make it better recognized locally and overseas. These are the important factors which help it achieve business goals and add economic value to the Company, while ensuring a fair and equitable treatment to all shareholders, investors, and stakeholders. As a result, the Company has established Corporate Governance Principles, as described hereunder, in accordance with guidelines of the concerned authorities, including the Stock Exchange of Thailand, the Securities and Exchange Commission, and the Bank of Thailand, for every of our associates to observe.

1. Shareholders: Rights and Equitable Treatment

- 1.1 All shareholders are equally entitled to fundamental rights including, among others, participating in shareholders’ meetings where the Company should notify the shareholders regarding rules of the meeting, voting rights according to the type of share, process of casting votes, voicing opinions, and accessing information regarding the Company’s financial position and performance.
 - The Board of Directors has specified to disclose the supporting policy or support every group of shareholders including institutional shareholders to attend the shareholders’ meetings.
- 1.2 The Company holds a shareholders’ meeting, called an “Annual General Meeting,” on a yearly basis within four months of the end of its fiscal year. Any other shareholders’ meeting is held as necessary, called an “Extraordinary General Meeting.”
- 1.3 Before organizing of a shareholders’ meeting, the Company will send a notice of the meeting together with the agenda, both in Thai and English including agenda and comment from the Board of Directors to the Stock Exchange of Thailand, to shareholders prior to the meeting date within the timeframe prescribed by law (not less than seven days). In this connection, the Company assigns Thailand Securities Depository Company Limited (securities registrar) to act as the Company’s

registrar responsible for maintaining records of registered shareholders and distributing documents and information to them. All information regarding the shareholders' meeting must be publicized on the Company's website not less than 28 days before the shareholder's meeting.

- 1.4 Shareholders have the rights to participate in a shareholders' meeting and to cast votes as follows:
- 1.4.1 Rights of shareholders in proposing candidates to hold director position. The Board of Directors has specified that the minority shareholders could propose names to assume the director position where the proposition must be made via the Nomination, Remuneration, and Corporate Governance Committee not less than 3 months before the shareholders' meeting date. Qualification data and consent of the proposed person must be presented as well.
- 1.4.2 Shareholders are entitled to attend and cast votes on all agenda items at every shareholders' meeting. However, the shareholders who have a conflict of interest in any agenda item and are prohibited by law may not attend the meeting on such agenda item and cast votes thereon.
- 1.4.3 The Company will arrange for distribution of information related to its business, ensuring the information is adequate for decision making at each shareholders' meeting. The information includes, among others, a notice of the meeting that provides rationale for consideration on each agenda item as well as supporting information adequate for decision making, minutes of the meeting, and annual report prepared in accordance with guidelines established by the Stock Exchange of Thailand and the Securities and Exchange Commission.
- 1.4.4 Shareholders have the right to election and removal of directors.
- 1.4.5 Shareholders have the right to appointment of auditors.
- 1.4.6 Shareholders can appoint any person, in form prescribed by law, as their proxy to attend and vote at the shareholders' meeting on their behalf. The Company's Board of Directors supports the use of power of attorney in the format that voting can be specified. At least 1 independent director shall be proposed as an alternative for issuance of power of attorney.
- 1.4.7 Shareholders can check their shareholding records as of the closing date of the share register book at the Company or Thailand Securities Depository Company Limited.
- 1.5 It is the Company's policy that all the directors must participate in every shareholders' meeting. Shareholders can raise relevant questions to the chairman of each committee and the Company shall make facilities available for shareholders at all meetings and aims to ensure that the shareholders are able to attend the meetings and are treated equitably, with details as follows :
- 1.5.1 **Venue for shareholders' meeting**
- The Company will hold each shareholder's meeting at a place in Bangkok where its headquarters are located. Such venue must be spacious enough to accommodate all shareholders in attendance and must be conveniently accessible. It must also have a pleasant meeting room ambience and be fully equipped with meeting facilities and high-

tech communication equipment such as audio-visual equipment, microphones, stationeries, and others.

The Company specifies using technology in shareholders' meetings in terms of shareholders registration, counting of votes, and result display so the meetings could be executed quickly, correctly, and precisely.

1.5.2 Appropriate meeting date and time

In determining the date and time of a shareholders' meeting, the Company takes into consideration the timeframe specified by law and chooses the appropriate time, making sure the meeting is not held, for instance, on public holidays or long holidays. Whereby, the chairman of the meeting shall allocate appropriate time and promote shareholders to comment and question all issues related to the Company.

1.5.3 Voting

- 1) Voting shall be done by agenda or by item if any agenda has many items such as the agenda of the appointment of directors.
- 2) The Company makes available ballots used for voting at each meeting.
- 3) Vote counts are clear, transparent, and verifiable. Vote counts are divided into:
 - Votes cast through the proxy forms delivered to the Company ahead of the meeting; and
 - Votes cast by shareholders attending the meeting.
- 4) The chairman of the meeting shall disclose to the meeting the result of vote counts in respect of votes cast through the proxy forms sent ahead of the meeting and votes cast at the meeting.
- 5) The Company specifies that there shall be an independent observer to oversee the counting of votes or inspect the votes in the shareholders' meetings and the result must be disclosed to the members in the meetings and recorded in the meeting minutes.

1.5.4 Meeting agenda

- 1) The Company specifies to provide explanation and rationale for each agenda or the requesting resolution as specified in the invitation letter to attend the shareholders' meeting or in the attachment to the meeting agenda. The Company shall not do any action that limits the shareholders' access to the Company's information.
- 2) Minority shareholders could propose for clearly additional agenda prior to the shareholders' meeting to express fairness and transparency in considering if the addition of agenda shall be approved.

1.5.5 Submitting questions in advance

The Company specifies that shareholders shall submit questions prior to the meeting then notifies the shareholders along with the invitation letter. Moreover the Company publicizes the criteria for submitting advance questions on the Company's website.

1.6 Preparation of minutes of a shareholders' meeting

- 1.6.1 The Company arranges for the preparation of the minutes after every shareholders' meeting is completed. The minutes include details about the number of shareholders present at the meeting in person and the number of individual and juristic shareholders present at the meeting by proxy including the number of shares presented by each of them. Moreover, the proportion of shares attended the meeting comparing with the total number of shares sold shall be presented.
- 1.6.2 The meeting minutes shall be completed within 14 days after the meeting and shall contain details such as names of the directors attending the meeting, names of directors who are not attending the meeting, memorandum of the explanation of voting procedure and method of disclosing the votes to the meeting members before the actual meeting including the presentation of opportunity for shareholders to raise issues or questions; moreover, there must be a record on questions and answers, issues considered, issues discussed, opinions of shareholders, and total votes of shareholders attending the meeting and having cast votes on each agenda item, broken down into approval, disapproval and abstention. Shareholders can view and download the minutes online via the Company's website (www.thanachart.co.th).
- 1.6.3 The Company shall publicize the voting result of each agenda in the shareholders' meeting on the next business day on the Company's website.
- 1.7 The Company keeps all documents related to the shareholders' meetings and arranges them in a classification system to facilitate shareholders' requested viewing and inspection.
- 1.8 Shareholders are equitably entitled to share profits of the Company in the form of dividends.
- 1.9 In addition to the above, shareholders are entitled to all other rights prescribed by laws.

2. Rights of Different Groups of Stakeholders

The Company's stakeholders are:

- 2.1 Shareholders,
- 2.2 Creditors,
- 2.3 Members of the Board of Directors,
- 2.4 Executives,
- 2.5 Employees,
- 2.6 Customers and trading partners,
- 2.7 Auditors,
- 2.8 Competitors,
- 2.9 Society and Environment, and
- 2.10 Government Sector

The Company takes the following actions to ensure fair treatment to all stakeholders:

- 1) In the conduct of its business affairs, the Company strictly complies with all applicable laws and also ensures that its business affairs have positive impacts on the society and the government sector with regard to the economy, custom, tradition, and environment.
- 2) The Company ensures that the dividends for shareholders and the remuneration for directors, executives, and employees are appropriate and fair.
- 3) The Company delivers quality services to customers with integrity and fairness and collects service fees and charges at a reasonable rate.
- 4) The Company deals honestly and fairly with its trading partners and honors all obligations as agreed.
- 5) The Company operates its business and competes with its competitors in a transparent manner, abiding by rules on fair competition and ensuring that the competition will not cause a negative impact on the overall business.
- 6) To ensure transparency, the Company discloses information about its transactions in line with the disclosure standards and requirements of concerned authorities.
- 7) The Company holds itself accountable to customers and trading partners for, among others, the delivery of quality services up to sound professional standards, the protection of customers' and trading partners' confidential information, as well as the provision of a complaint handling unit.
- 8) The Company's Board of Directors has a policy to support its employees to be knowledgeable in terms of environment and encourage them to participate in social and environmental activities.

3. Leadership and Vision

The Board of Directors is independent in its decision making. The Company ensures that all directors have the right and equitability to consider and decide on all businesses, and clearly segregates the roles and duties of the Board of Directors from those of the Executive Committee. The Board of Directors is not responsible for the day-to-day operations of the Company, but has to carry out the duties and responsibilities as prescribed by laws. Members of the Board of Directors are required to participate in meetings to consider business matters of the Company in line with specified agenda items or as deemed fit by the Chairman of the Board of Directors. Their responsibilities are:

- 3.1 To set out or approve the Company's missions, strategies, goals, policies, business plans and budgets.
- 3.2 To supervise and follow up on the management's performance on a regular basis and ensure that the established goals are achieved and the business plans implemented.
- 3.3 To ensure that the Company has in place sound internal control systems and appropriate risk management measures.

4. Board of Directors

The Board of Directors' composition, duties and responsibilities, and election process are as follows:

Composition of the Board of Directors

Number of Board Members

4.1 The Company has specified the number of the Board of Directors to be in accordance with the rules of laws and the Stock Exchange of Thailand's Good Corporate Governance Principle. For other companies under Thanachart Group, the number of directors must be harmonized with the type, size, and complexity of each business for supporting each director to perform their duties effectively. Moreover, of the total number of the Board members, not more than a half shall be executive directors and at least one-third but not less than three directors shall be directors who are independent of the management and do not have any vested interest in or any connection with the Company's business and in fair proportion of the investment of each shareholders group. In addition, the Company promotes each director to join trainings or conferences to enhance his/her work ability and their attendances in those trainings or conferences are disclosed in the annual report.

Qualifications of Directors

- 4.2 Having knowledge, skill, experience in diverse fields, and expertise in specific areas that are useful to the Company. The Company's Board of Director should set the Board Skill Matrix that are useful and contribute to the Company's business as well as align with the Company's strategies. The Board of Directors must have at least one non-executive director having experience in the Company's business, whereby gender is disregarded. Nevertheless, the composition of the Board of Directors and each director's term are disclosed in the annual report and the Company's website.
- 4.3 Not possessing any of the prohibited characteristics prescribed by applicable laws and regulations.
- 4.4 Not holding board positions in any other entity that operates a business of the same nature as and competing with the Company, whether for personal benefit or for the benefit of other parties, unless where the shareholders' meeting is so notified before any such appointment. The Nomination, Remuneration, and Corporate Governance Committee, which has the duty to nominate director candidates for shareholders' consideration and election, shall examine and ensure that those candidates do not hold board positions in or operate a business of the same nature as and competing with the Company.
- 4.5 Directors, executives or related persons are allowed to enter into a transaction that is in the usual course of business with the Company and its subsidiaries, provided that the transaction is under the same commercial terms as those an ordinary person would agree with any unrelated

counterparty under the similar circumstances, on the basis of commercial negotiation and without any dependent interest, except for the transactions prohibited by laws or the authority's directives.

4.6 Additional qualifications required for each of the following positions:

Executive Directors

- Being involved with day-to-day management of the Company and overseeing to ensure that the management implements the policies established by the Board of Directors.
- Numbering not more than **a half** of the total Board members.

Independent Directors (applicable to public limited companies or as required by the authority)

- Not holding more than 0.5 percent of the Company's paid-up registered capital.
- Qualifications are in accordance with the criteria set by the BOT, SET, or SEC, or other governing bodies.
- Not exhibiting any characteristics that violate the criteria for independent directors set out by the Capital Market Supervisory Board.
- Numbering not less than one-third of the total Board members.
- At least 1 independent director having the experience in the Company's business.

4.7 The Chairman of the Board of Directors and President shall not be the same person and must be exhibited in the annual report and on the Company's website.

4.8 No director of the Company is allowed to take up directorships in more than 5 other listed companies. In addition, in case the person performing one or more of roles as chairperson of the Board of Directors, executive director or director with signatory authority, they are not allowed to take up directorships in more than 3 business groups .

The President and high-ranking executives of the Company who are going to take up directorships in other companies (except those owned by their family) must receive approval of the Board of Directors before assuming such positions. The Board will take into consideration the type of directors and the maximum number of directorships one can hold. In this connection, taking up directorships in any other companies must not go against any requirements or regulations of the regulators concerned. The directors are also required to notify the Company of such directorship within 7 days after they are appointed or assume office.

Roles and Responsibilities of the Board of Directors

4.9 Discharging duties with responsibility and to the best of their abilities and fairness treatment to the organization, shareholders, executives, and employees of the Company.

4.10 Setting up vision, mission, key policies, strategic plans, financial goals, and budgets and making a review annually by supervising business operation to conduct in a sustainable manner.

4.11 Supervising and overseeing subsidiaries, safeguarding the investment interests of the Company. In this connection, the Board of Directors will take into consideration suitability of persons to be appointed as directors or president of Thanachart Bank. As regards other subsidiaries whose shares directly held by the Company, the Executive Committee has been assigned to appoint

persons as directors, executives or ones with controlling power. However, in case of small companies serving as the Company's operating arms, the President will be responsible for the related appointments.

- 4.12 Supervising, overseeing and monitoring the Company's business operations, ensuring that they are in line with the Company's strategies, objectives, goals, regulations, shareholders' resolutions, and principles of good corporate governance. Performing duties in an honest and prudent manner, aiming at safeguarding the Company's interests. Paying close attention to events that affect the Company as well as various activities undertaken by the Company.
- 4.13 Overseeing the corporate governance of the Company and member companies of Thanachart Financial Conglomerate, ensuring that they are suitable to the related organizational structure, nature of business and risks.
- 4.14 Ensuring that the Company has in place the audit process, internal control, risk management, and monitoring and compliance systems that are adequate and fit with the prevailing business environment.
- 4.15 Providing a system to control work execution, financial reporting, and compliance to the rules, regulations, and policies. The Board of Directors shall provide an independent person or a department responsible for auditing such monitoring system. The related information must be exhibited in the annual report.
- 4.16 The Board of Directors or the audit committee shall comment on the sufficiency of the internal control system and risk management in the annual report and focus on the revision of significant systems affecting the internal control and risk management where such revision must be implemented regularly or at least once a year.
- 4.17 Ensuring fair treatment to all groups of stakeholders and assuming responsibility for financial reporting and information disclosure on an accurate, transparent, and timely basis.
- 4.18 Preparing a report on responsibilities of the Board of Directors for annual financial report for publishing, together with report of an auditor, covering therein all crucial matters specified in the 'code of best practices for listed company directors,' to ensure that the Company's financial reports are accurate, complete, and reliable. The Company duly complies with the accounting standards by adopting, and adhering consistently to, appropriate accounting policies.
- 4.19 Appointing members of all sub-committees as deemed appropriate.
- 4.20 Determining scope of power and duties of the President.
- 4.21 Conducting a performance evaluation and determining compensation and employment terms and conditions for the President based on recommendation by the Nomination, Remuneration, and Corporate Governance Committee.
- 4.22 Evaluating the whole Board of Directors' performance.
- 4.23 Ensuring one's continuous knowledge and competence development.

- 4.24 Promoting innovation creation which gives rise to business value, taking into account benefits to or impacts on customers or related parties while having responsibility towards society and the environment.

Roles of the Chairman of the Board of Directors

- 4.25 Not involving with the Company's day-to-day management.
- 4.26 Exercising leadership in ensuring the Board of Directors as a whole discharges duties efficiently in the best interests of the Company and independently from the management.
- 4.27 Considering for agenda approval which President proposes and is approved by Chairman of Executive Committee so that the agenda is in line with the duties and responsibilities of the directors. Each director is free to propose bank-benefiting agenda to the meeting.
- 4.28 Setting aside adequate time not only for the management to propose key matters and issues but also for members of the Board of Directors to consider and discuss the proposals in a systematic and comprehensive manner. Members of the Board are also encouraged to exercise their discretion and prudence and to give their opinions independently.
- 4.29 The chairman of the Board of Directors shall not assume a chairman position or a member of sub-committees so that the sub-committees could execute freely.
- 4.30 Ensuring and encouraging all directors to uphold and abide by Good Corporate Governance Principles and Code of Business Conduct of the Company, including the Code of Conduct for Directors.
- 4.31 Establishing good relationships between executive directors and non-executive directors as well as between the Board and management.

Roles of Chairman of the Executive Committee

- 4.32 Exercising leadership in ensuring the Executive Committee members discharge duties efficiently in the best interests of the Company and independently from the management.
- 4.33 Considering for agenda approval which President proposes so that the agenda is in line with the duties and responsibilities of the Executive Committee.
- 4.34 Supervising and ensuring the management implements the policies established by the Board of Directors.
- 4.35 Ensuring and encouraging all Executive Committee members to uphold and abide by Good Corporate Governance Principles and Code of Business Conduct of the Company.

Roles of the President

- 4.36 Assuming the roles, duties, and responsibilities for the management of business affairs and operations of the Company in line with the scope of power and duties designated by the Board of Directors and the Executive Committee.
- 4.37 Supervising and ensuring employees at all levels discharge their respective duties in accordance with the policies established by the Board of Directors and the Executive Committee.

Roles and Duties of Company Secretary

The Company appoints a Company Secretary and entrusts him/her with the following duties:

- 4.38 Taking charge of all activities of the Board of Directors.
- 4.39 Providing preliminary advice to directors regarding legal issues, by-laws of the Company, Good Corporate Governance Principles and Code of Conduct to be upheld by the directors, and monitoring and ensuring their correct and ongoing compliance with those principles, as well as reporting any significant change thereof to the directors.
- 4.40 Preparing and providing new directors with documents and information useful to their discharge of duties, and introducing them to the Company's nature of business and business operations.
- 4.41 Organizing the shareholders' meetings and the Board of Directors' meetings in conformity with the laws, the Company's Articles of Association, and all best practices.
- 4.42 Taking minutes of the shareholders' meetings and the Board of Directors' meetings and following up and ensuring all resolutions of the shareholders' meetings and the Board of Directors' meetings are carried into effect.
- 4.43 Preparing and keeping all documents pertaining to the register of directors, notices of the Board of Directors' meetings, minutes of the Board of Directors' meetings, reports on interests of directors and executives, the Company's annual reports, notices of the shareholders' meetings, and minutes of the shareholders' meetings.
- 4.44 Ensuring the information under responsibility is duly disclosed to the Company's supervising authorities in conformity with the regulatory rules and requirements.
- 4.45 Arranging training courses and seminar programs for development of directors' knowledge, skills, and experience that could contribute to their discharge of duties as directors of the Company.
- 4.46 Contacting, communicating, and keeping the shareholders informed of their rights and of the Company's news and information.
- 4.47 Performing other acts prescribed by the Capital Market Supervisory Board.
- 4.48 Continuously attending training courses to develop his/her knowledge regarding law, accounting, or duty of company secretary.
- 4.49 Disclosing of qualification and experience of the company secretary in the annual report and Company's website.

Directors' Term of Office

- 4.50 Directors who serve the longest term in office shall leave the position by one-third, or with the number nearest to one-third, of the total directors on the Annual General Shareholder's Meeting of the Company or unless otherwise specified by law.
- 4.51 Directors retiring by rotation may be re-elected.

Methods of Director Election

There are two cases of director election as follows:

- 4.52 Election of directors to replace those retiring by rotation. This is subject to approval by the shareholders' meeting
- 4.53 To replace retiring directors, the Board of Directors could give their approval for the appointments of directors selected and proposed by the Nomination, Remuneration, and Corporate Governance Committee.

5. Committees Other than the Board of Directors

The Company has formed other sub-committees to help study, scrutinize, and oversee other business affairs, as follows:

5.1 The Executive Committee

The Board of Directors appoints the Executive Committee which consists of executive directors or directors representing major shareholders or directors who are external parties. The Executive Committee reports directly to the Board of Directors.

Procedure for Appointing Members of the Executive Committee

The Board of Directors appoints an appropriate number of directors as members of the Executive Committee, one of whom shall serve as Chairman of the Executive Committee. The Executive Committee shall be authorized to oversee and monitor the Company's business affairs as assigned by the Board of Directors, and the President shall be an ex-officio member of the Executive Committee.

5.2 The Audit Committee

The Board of Directors appoints the Audit Committee as its important tool for monitoring the Company's management of business affairs to ensure that it upholds appropriate standards and transparency and complies with the rules and regulations of concerned authorities and those of the Company. The Audit Committee is responsible for ensuring that the Company puts in place sound internal control systems and reporting systems that are reliable and useful to all concerned parties including the shareholders.

Procedure for Appointing Members of the Audit Committee

The Board of Directors shall appoint at least three persons who meet the qualifications specified by the Company's supervising authorities to serve as members of the Audit Committee. The Audit Committee shall have the power and duties designated by the Board of Directors and shall have complete independence in the discharge of its duties. The Audit Committee reports directly to the Board of Directors.

5.3 The Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration, and Corporate Governance Committee consists of three non-executive directors. The chairman of the Nomination, Remuneration, and Corporate Governance Committee is an independent director appointed by the chairman of the Board of Directors and

has the power and duties designated by the Board of Directors. The roles and responsibilities are specified in the Charter of the Nomination, Remuneration, and Corporate Governance Committee.

Procedure for Appointing Members of the Nomination, Remuneration and Corporate Governance Committee

Board of Directors shall appoint at least three non-executive directors as members of the Nomination, Remuneration, and Corporate Governance Committee and report directly to the Board of Directors. Once any person is appointed as an advisor to the Nomination, Remuneration, and Corporate Governance Committee, information of the person must be exhibited in the annual report and the person must be independent and has no conflict of interest.

5.4 The Risk Management Committee

The Risk Management Committee consists of directors and executives and has a duty in specifying Risk Management Policy to cover the entire organization. Such policy must be presented to be approved and overseen by the Board of Directors and the management shall follow the policy and report back to the Board of Directors on a regular basis. A revision or assessment of risk management shall be done at least once a year, must be exhibited in the annual report, and in each interval that risk has changed. Advance warnings and report of unusual incidences shall be given importance.

Procedure for Appointing Members of the Risk Management Committee

The Board of Directors shall appoint directors and executives who are in charge of all risk-related functions of the Company as members of the Risk Management Committee.

6. Board of Directors Meetings

- 6.1 The Company determines frequency and agenda of Board of Directors meetings in each year in advance and notifies each directors of such itinerary so that he/she can allocate the time for the meeting, as follows;
 - 6.1.1 The Board of Directors meets approximately at least 6 times per year.
 - 6.1.2 The Executive Committee meets at least 6 times per year.
 - 6.1.3 The Audit Committee meets at least 6 times per year.
 - 6.1.4 The Nomination, Remuneration, and Corporate Governance Committee meets at least 4 times per year.
 - 6.15 The Risk Management Committee meets at least 6 times per year.
 - 6.16 For all other committees, the decision on their meeting frequency rests with the chairman of each committee.
- 6.2 The quorum of each committee meeting shall be in accordance with the announcement or charter of each committee. For the Company's Board of Directors Meeting, the minimum number of quorum when passing a resolution shall not be less than two-third of the total directors.

- 6.3 Directors are required to attend every meeting unless they have a compelling reason, which they shall notify to the Chairman of the Board of Directors or to the secretary to the Board of Directors. Each director must attend not less than 75 percent of all the Board of Directors' meetings held in a year.
- 6.4 Independent directors shall meet among themselves at least once a year.
- 6.5 At least once a year, the Board of Directors' members shall meet among themselves without the presence of the management.
- 6.6 The Board of Directors should encourage the President to invite high-ranking executives to participate in their meetings in order to provide additional details that are crucial to their decision and to allow directors to get to know with high-ranking executives in order to consider for job succession.
- 6.7 The management should send documents containing key information to the directors at least 5 working days before the Board of Directors' meeting. The directors may request additional documents they need from the President or the company secretary. If necessary, the Board of Directors shall provide independent comment from the advisor or outside experts and the Company shall bear the expenses.
- 6.8 The Chairman of the Board of Directors shall ensure that sufficient time is allowed for the directors to address and discuss all issues and shall encourage them to voice their opinions constructively and independently. Moreover, directors have their duties to consider every agenda which is brought to the meeting including Good Corporate Governance matters.
- 6.9 The Board of Directors requires that directors who have a conflict of interest in any agenda item must leave the meeting to allow all other directors to freely discuss any such business matter and pass a resolution thereon. Such action must be recorded in the meeting's minutes.

7. Remuneration for Members of the Board of Directors and Management

Remuneration for members of the Board of Directors and members of other committees shall be determined and proposed by the Nomination and Remuneration Committee, whereas remuneration for senior management at executive vice president level and higher shall be proposed by the Chairman of the Executive Committee to the Nomination and Remuneration Committee, taking into consideration the following:

- 7.1 Remuneration paid to members of the Board of Directors should be in line with strategies and long-term goals of the Company, taking into account their experience, duties, scope of work, roles and responsibilities as well as value added and contribution made by each member. Those who are given additional assignments and responsibilities, such as sitting on committees should get extra pay as deemed appropriate. In this connection, the remuneration must be comparable to those paid by companies within the same industry.

- 7.2 Shareholders shall be responsible for approving the structure and compensation, both financial and non-financial, of the Board of Directors and committees. In this connection, the Board of Directors should ensure the appropriateness of each form of compensation.
- 7.3 The Nomination, Remuneration and Corporate Governance Committee has a responsibility to assess the President on a yearly basis in order to specify the remuneration of the President. The standard used for assessment is of priority agreed by the President in which the standard must be tangible including financial performance, performance of the long-term strategy, management development, etc. Such assessment result shall be submitted to the Board of Directors for approval and the Chairman of the Board of Directors or a senior director shall communicate the result to the President.
- 7.4 Executives receive remuneration at the rate approved by the Board of Directors. For the highest benefit of the Company, remuneration in terms of salary, bonus, and long-term incentive shall reflect performance of each executive based on the Company's sustainability.

8. Self-assessment of the Board of Directors

- 8.1 Board of Directors and sub committees shall perform self-assessment at least once a year so that they can help each other in considering on the success and problems for further improvement.
- 8.2 For assessment of the overall or individual performance of the Board of Directors, the Company shall exhibit criteria, procedure, and assessment result in the annual report.

9. Prevention of Conflict of Interest

The Company establishes principles aimed at preventing employees, executives, directors, and parties concerned from advancing one's own interest or the interests of a group of people, details of which are as follows;

- 9.1 Establishing principles for employees, executives, directors, and parties concerned to avoid any act as a result of undue benefits other than usual ones or those permitted according to the Company's conditions.
- 9.2 Establishing principles for employees, executives, and directors not to participate in decision-making on transactions in which they have an interest.
- 9.3 Establishing written principles for keeping and preventing the use of inside information as well as communicating such guidelines to all parties concerned and exhibiting in the annual report.
- 9.4 Establishing principles for execution of related party transactions based on accurate and reasonable information and guidelines as well as a fair price in the same manner as the transactions done with customers in general.
- 9.5 Establishing principles to prevent employees, executives, and directors from accepting any other benefits from related parties in relation to business matters on which they are to make consideration or decision.

- 9.6 Ensuring that the Board of Directors is kept informed of all related party transactions and transactions involving a conflict of interest, and that they always exercise due care in determining the transactions' reasonableness in conformity with guidelines of the Company's supervising authorities.
- 9.7 Ensuring that the related party transactions and conflict of interest transactions are disclosed in the Company's annual report and annual registration statement (Form 56-1).
- 9.8 Every directors and executives with obligation to submit the possession of securities report shall submit the report to the Board of Directors on a regular basis and the report must be disclosed in the annual report

10. Ethics and Code of Conduct

The Company has set out the Code of Business Conduct for firm-wide adoption as well as the Code of Conduct for directors, executives, and employees to adhere to, as follows:

- 10.1 Code of Business Conduct serves as a guideline on best practices to be observed by the Company.
- 10.2 Code of Conduct for Directors serves as a guideline on best practices to be observed by the Company's directors.
- 10.3 Code of Conduct for Executives serves as a guideline on best practices to be observed by the Company's executives.
- 10.4 Code of Conduct for Employees serves as a guideline on best practices to be observed by all employees of the Company.
- 10.5 Code of Conduct for Investor Relations as a guideline on best practices to be observed by the Company's investor relations officers.

11. Internal Control Systems

The Company establishes internal control systems that cover various areas including organization and environment, risk management, control of the management's operations, IT systems, and monitoring systems. The objective is to ensure that it has adequate and prudent internal control systems for protection against potential risk and damage to the Company.

11.1 Organization and environment

- 11.1.1 Defining clear policies and targets.
- 11.1.2 Developing organizational structure, as well as separating power and responsibilities and putting in place mechanisms of checks and balances.
- 11.1.3 Establishing code of conduct to be adhered to by directors, executives, employees, and investor relations officers and to be embedded in the Company's Code of Business Conduct.
- 11.1.4 Specifying power and responsibilities of employees in job description together with regulations related to approval authority.

- 11.1.5 Formulating rules and procedures that cover all work processes.
- 11.1.6 Putting in place systematic personnel selection and nomination procedures.
- 11.1.7 Adopting employee incentive systems such as a performance-based compensation system.
- 11.1.8 Entrusting the Internal Audit and the Compliance Department with the tasks of auditing and monitoring the Company's operations, reporting directly to the Audit Committee, with the Audit Committee reporting directly to the Board of Directors, all being independent of the management.

11.2 Control of the management's operations

- 11.2.1 Defining clear action plans and procedures.
- 11.2.2 Putting in place adequate internal control systems with proper checks and balances such as regulations on approval authority and transaction verification, separation of duties and responsibilities, safety and security of properties, and reporting systems.
- 11.2.3 Discharging duties in conformity with regulations and business procedures within the scope of authority delegated, and, where any non-compliance with such regulations is apparent, promptly reporting the case to supervisors and avoiding giving cooperation or support for such non-compliant act.

11.3 IT Systems

The Company discloses and communicates its information in a complete, adequate, accurate, reliable and timely manner and has developed tools for fast and efficient communications to ensure that the Company's executives, employees, and stakeholders have a quick and equitable access to the information.

11.4 Monitoring systems

- 11.4.1 Monitoring and following up on the individual business/support units' operations, with heads of the respective units being the incumbent officers.
- 11.4.2 Monitoring and following up on the operations of independent units including the Audit Office, the Compliance Department, and the Credit Review Department. If any mistakes or errors are identified, they will be reported to the higher level in the chain of command for consideration and corrective action.
- 11.4.3 Putting in place an adequate database for the reporting systems.

12. Investor Relations

The Company has established an "Investor Relations Unit" as a center to provide accurate and timely news and information to shareholders, investors, analysts, and government sectors. The unit coordinates with the Company's high-level executives and work units, as follows:

- 12.1 The Chairman of the Executive Committee or the President or the designated person:

In answering questions or providing the Company's overall mission, vision and policies.

12.2 Finance Group:

In answering questions or providing financial and general information to institutional investors or analysts.

12.3 Company Secretary Office:

In answering questions or providing preliminary financial information and general information to shareholders and government sectors.

13. Information Disclosure and Transparency

The Company has publicized news and information of the business as specified by law including rules and regulations of other governing bodies. Disclosing information must be corrected, completed, and adequate for investors to make decisions. Such disclosure must be approved from the Company's authorized person in which any confidential information of the Company, customers, and business partners shall not be disclosed to irrelevant parties except as permitted or as obliged by law. The information must not be exaggerated disclosed to create misunderstanding in the context. Disclosure of information can be categorized as follows:

13.1 Type of disclosing information

13.1.1 Disclosure of business profits, income statement of the reviewed version and audited version, disclosure of the summary of asset and liabilities on the 21th of each month (not yet reviewed), including the Management Discussion and Analysis (MD&A) for the disclosure on financial statement in each quarter so that investors shall better acknowledge the information and understand the change in financial status and the Company's performance in each quarter other than the numbers in the financial statement.

13.1.2 The responsibility of the Board of Directors toward financial reports shall be exhibited along with the report of the auditor in the annual report.

13.1.3 Briefly report the Corporate Governance Policy, Business Ethics, Risk Management Policy as approved by the Board of Directors including result of complying with such policies via various channels such as in the annual report and the Company's website, etc.

13.1.4 The policy on the remuneration of directors and high executives must reflect the obligation, duties, and responsibilities of each of them including the type or kind of remuneration. The disclosed remuneration must include remuneration from assuming a director position at a subsidiary company.

13.1.5 Roles and responsibilities of the Board of Directors and sub-committees, frequency of meetings and frequency of attending meetings by each director in the past year including comments provided and the continuous training and occupational knowledge improvement of the committees shall be stated in the annual report.

13.1.6 Audit cost and other service fees provided to the auditor

13.1.7 The business's information in accordance with the criteria, condition, and method of information disclosure as specified by the Stock Exchange of Thailand and as specified by law such as the disclosure of acquiring or selling of the business' securities, related transactions, change of the Company's registered capital, etc.

13.1.8 Disclosure of qualification and experience of the Head of Audit and Head of Compliance in the annual report and the Company's website.

13.2 Channel for Information Disclosure consists of

13.2.1 Information disclosure via SET Portal (SEP) in accordance with the criteria and procedure specified by the Stock Exchange Of Thailand

- Management Discussion and Analysis (MD&A);
- Annual Registration Statement (Form 56-1);
- Financial Statement and Annual Report; and
- Board of Directors' resolutions, shareholders' meetings resolutions, and other information

13.2.2 Office of the Securities and Exchange Commission;

13.2.3 Department of Business Development, Ministry of Commerce;

13.2.4 The Company's website at www.thanachart.co.th;

13.2.5 Press, printing media, and other media;

13.2.6 Analyst meeting;

13.2.7 Company visit / one-on-one meeting;

13.2.8 Domestic and international roadshows; and

13.2.9 Notifications to shareholders by mail

14. Risk Control and Risk Management

Fully recognizing the importance of risks that could have an impact on its operations, the Company has established a risk management unit with the duties and responsibilities as follows:

14.1 Planning on development of risk management systems that cover all risk categories.

14.2 Monitoring the development, analysis and preparation of reports on all risks.

14.3 Coordinating with other work units to ensure that risk management is efficiently implemented.

14.4 Studying new risk management and analysis tools.

In addition, the Company has established "Risk Policy and Guideline" to serve as a manual for its risk management and has organized training workshops to enhance staff's knowledge and understanding of risks associated with the Company's business.

15. Resistance to Fraud and Corruption

The Company deems it a key business principle not to support any business, any group of people or any person who has involved with or is aware of any undue benefits, whether directly or indirectly, arising from

an abuse of power. The Company adopts a clear policy to give support to and cooperate with the public and private sectors.

16. Succession Plan for Top Management at Executive Vice President Level and Higher

The Board of Directors takes steps to ensure that the Company has in place a proper system to select suitable persons to fill all key management positions and conforms to the nomination process in selecting top management candidates from both within and outside Thanachart Group. A project on management development is to be implemented alongside the consideration of succession plan.

17. Disciplinary Consideration

The Company has established the following rules on disciplinary procedures for its employees, executives and directors:

- 17.1 For staff below the level of first vice president, the disciplinary committee is responsible for considering disciplinary actions and the President is responsible for approving the proposed actions.
- 17.2 For senior management at the level of first vice president or higher and not being members of the Board of Directors, the Executive Committee shall form a disciplinary committee on a case by case basis to consider disciplinary actions. The Executive Committee shall be responsible for approving the proposed actions.
- 17.3 For members of the Executive Committee, the Board of Directors shall form a disciplinary committee on a case by case basis to consider disciplinary actions. The Board of Directors shall be responsible for making decision on the proposed actions.
- 17.4 For members of the Board of Directors, if any member commits an offence in bad faith or with gross negligence, that member shall be held personally liable for the offence and/or for the compensation for damage caused thereby.

18. Monitoring of Compliance with the Code of Business Conduct

Directors and executives at all levels shall be a role model in complying with the Code of Business Conduct. The Compliance Department and the Human Resource Group are responsible for disseminating knowledge, promoting understanding, and encouraging employees at all levels to earnestly and continuously adhere to the Code, as well as for embedding these principles into the corporate culture and reporting the results of such knowledge enhancement and compliance with the Code to the Nomination, Remuneration, and Corporate Governance Committee and the Board of Directors.

19. Policy Revision

To ensure that the Company's Corporate Governance Policies and Code of Business Conduct are always in line with the applicable laws, rules, and regulations of the authorities and aligned with the ever-changing business environment, the Nomination, Remuneration, and Corporate Governance Committee has the duty to review and update these principles at least once a year.

20. Obligation

Directors, executives and employees at all levels are obligated to familiarize themselves with and strictly abide by the Corporate Governance Policies and Code of Business Conduct described above and to certify, by affixing their signature, their compliance therewith in all respects.

21. Queries or Complaints

If the directors, executives, and employees are unsure as to whether their act, already done or to be done, properly conforms with the Company's Corporate Governance Policies or Code of Business Conduct, they are recommended to, before performing or judging such act, identify whether

1. Such act is legally acceptable or compliant with the rules and regulations of the authorities and the Company;
2. Such act is socially acceptable or can be disclosed to the public; and
3. Such act will bring discredit on oneself or other parties or tarnish the Company's reputation at the time or taken action in the future.

If they remain unsure of their own judgment, they are encouraged to report such facts and details to their supervisors or seek advice from the Compliance Department to decide on and ensure a proper action.

Moreover, those who find or know of any violations of the Code or the Policies hereof have the duty to report, without delay, such violations to the Audit Department.

The Board of Directors has entrusted the Compliance Department with the duty to receive complaints regarding unethical conduct from any stakeholders who wish to lodge the complaints directly to the Board of Directors, and to keep the Board of Directors regularly informed of the complaints. Complaints concerning the Company's usual business operations can be lodged through the Complaint Center provided by the Company and disclose the process and channels on the website or annual report.

22. Non-infringement of human rights and intellectual property or copyright

The Company has a clear policy that it shall not infringe or perform any action that should infringe human rights and intellectual property or copyright in any form both directly or indirectly.