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Business Operation Policy under the Principles of Good
Corporate Governance of Thai Credit Bank Public Company
Limited for the Year 2024

1. Objectives

Thai Credit Bank Public Company Limited (“**The Bank**”) operates in accordance with good corporate governance practices as stipulated by the Bank of Thailand and the Office of the Securities and Exchange Commission (the “**Office of the SEC**”), as well as the Stock Exchange of Thailand (“**SET**”). The Bank acknowledges the importance of operating business and enhancing the existing level of corporate governance to ensure long-term and sustainable business growth. The Bank is committed to fostering a moral management approach that emphasizes transparency, accountability, and the absence of corruption. These principles not only instill confidence in shareholders, investors, and stakeholders, but also contribute to The Bank’s overall performance and competitiveness, facilitating its sustainable growth.

The Bank recognises the importance of continuously upholding the rights and responsibilities towards its shareholders and stakeholders. It ensures equitable treatment of shareholders and considers the roles of stakeholders, information disclosure and transparency. Furthermore, The Bank’s Board of Directors emphasizes its responsibilities and adherence to good corporate governance principles, aiming to enhance confidence among shareholders, investors, and all stakeholders. To achieve this, the The Bank’s Board of Directors considers it necessary to prepare a Good Corporate Governance Policy. It encompasses key principles, including the structure, roles, duties, and responsibilities of The Bank’s Board of Directors and its sub-committees, as well as transparent, clear, and accountable management practices. These measures are implemented to ensure that all operations of The Bank are conducted fairly and ethically, prioritising the best interests of all shareholders and stakeholders.

2. Policy scope

The Bank’s Executive Committee, therefore, considers it appropriate to establish policies and guidelines on corporate governance and good corporate governance of The Bank, with emphasis on the following matters:

- 2.1 elevating the roles, duties, and responsibilities of the Board of Directors and executives;
- 2.2 promoting effective and independent performance of duties of directors and executives; fostering a risk-conscious, fair and transparent corporate culture; as well as establishing a risk governance framework and implementing a corporate governance policy that fosters a risk-conscious corporate culture (risk culture);
- 2.3 ensuring that the management controls risks within approved levels (Risk Appetite and Risk Limit);
- 2.4 adopting mechanism to control risks within approved levels (Risk Appetite and Risk Limit);balancing and ensuring effective control, supervision, and monitoring (Three Lines of Defense);
- 2.5 implementing and maintaining an Internal Whistleblowing Policy and Procedure and a Remuneration Policy that reflects the risk-conscious corporate culture and disclosing corporate governance information to enhance market mechanisms for better governance oversight.

3. Relevant announcements, rules, or laws

- 3.1 The Bank of Thailand Notification No. FPG. 10/2561 Re: Corporate Governance of Financial Institutions dated 22 May 2018.

3.2 Corporate Governance Code for Listed Companies 2017 prepared by the Office of the SEC.

4. Definitions

"Business Group"	means	1) a group of companies that comprise the parent company, a subsidiary, or an associate. 2) a group of companies under the same control of the same person.
"Financial Business Group"	means	financial business group under the Bank of Thailand notification on regulatory requirements for structure and scope of financial business group.
"Director"	means	an individual who holds the position of director within The Bank's Board of Directors.
"Executive Director"	means	1) a Director who assumes managerial responsibilities in positions such as Chief Executive Officer, Managing Director, Deputy Managing Director, Assistant Managing Director, or any other equivalent position designated by different names. 2) a Director who is responsible for carrying out or participating in any management activities, similar to executives, and including a director who is a member of the Executive Committee. 3) a Director who is authorised to enter into binding agreements on behalf of The Bank, except for binding signatures in accordance with transactions approved on a case-by-case basis by the Board of Directors, and by jointly signing with other Directors.
"Non-Executive Director"	means	a Director who is not an executive director.
"Independent Director"	means	a non-executive Director who is qualified under 5.1.3 of this policy.
"Authorised Manager"	means	1) Chief Executive Officer, Managing Director, Deputy Managing Director, Assistant Managing Director, Executive Director or any other equivalent position designated by different names. 2) an individual with whom The Bank has entered into a contract, granting authority to manage the whole or part of its operations.
"The Bank's Adviser"	means	an individual who serves as an adviser to The Bank or who may act in a capacity similar to that of the Chief Executive Officer, Managing Director,

Deputy Managing Director, or Assistant Managing Director, but is referred to as an adviser only. This also includes an individual who possesses these characteristics but are identified by different titles. However, it excludes an individual who is contracted to work for The Bank and whose roles require specialised technical knowledge or expertise in specific areas, such as accounting consultancy, legal consultancy, information technology consultancy, tax consultancy, language consultancy, corporate communications consultancy, insurance consultancy, advanced quantitative modelling consultancy (if any), and so on.

"Executive"	means	a Director, Chief Executive Officer, President, and the first four senior executives ranked below the President, who hold positions equivalent to all fourth-level executive positions, including the highest-level management positions in the accounting or finance department at the level of Divisional Director or equivalent. This is in accordance with the Capital Market Supervisory Board notification.
"Senior Executive"	means	Chief Executive Officer, Managing Director, Deputy Managing Director, Assistant Managing Director, and The Bank's adviser who perform duties similar to those of the Managing Director, Deputy Managing Director, or Assistant Managing Director, and are only referred to as advisers or hold equivalent positions under different names.

5. Roles, duties, and responsibilities

5.1 Appointment and qualifications of Directors, Chief Executive Officer, Managing Director, authorised manager, or The Bank's adviser

5.1.1 The Bank adheres to the Bank of Thailand's notification on the approval of appointment or notification of changes, concerning Director, the Chief Executive Officer, Managing Director, authorised manager, or The Bank's adviser and will obtain prior approval from the Bank of Thailand.

5.1.2 A Director, Chief Executive Officer, Managing Director, authorised manager, or The Bank's adviser must possess suitable qualifications and capabilities (Fit and Proper) and must not possess prohibited characteristics as stipulated in the Bank of Thailand's notification on the approval of appointment of directors, managers, authorised managers, or The Bank's advisers.

5.1.3 Independent directors' qualifications

5.1.3.1 Apart from the qualifications under 5.1.2., a Director, who is to be an independent director, must possess required under the notification of the Capital Market Supervisory Board regarding the

application for permission and authorisation to offer newly issued shares. Specifically, they must not have any business or involvement in the management, have no interests related to The Bank, or possess any other characteristics that would hinder their ability to independently provide opinions, make decisions, or pass resolutions regarding The Bank's operations.

5.1.3.2 An individual who is to serve as an independent director must not have been or currently be a non-independent director or the Chief Executive Officer, Managing Director, authorised manager, The Bank's adviser or employee and companies within The Bank's financial business group, unless they have ceased to hold the position or status for not less than 2 years before the date of application for approval.

5.1.3.3 An independent director may hold office continuously for up to 9 years, including the period of serving as an independent director in companies within The Bank's financial business group.

If an independent director has completed 9 years in office as an independent director and wishes to hold office of The Bank's independent director once again, they must retire from the position of Director, Chief Executive Officer, Managing Director, authorised manager, The Bank's adviser or employee of The Bank or of companies within The Bank's financial business group for at least 2 years before the date of application for approval.

An independent director who has not completed a full 9-year term, but has not retired from the position of independent director of The Bank and its financial business group for less than 2 years, is eligible to resume their position as an independent director. During this period, they must not have held the position of Director, Chief Executive Officer, Managing Director, or authorised manager, nor acted as The Bank's adviser or employee of The Bank or of companies within its financial business group. The continuous period of service must be counted from each term as an independent director.

5.1.4 Roles of Directors, Chief Executive officer, authorised manager, and The Bank's adviser in other organisations

In order for the Directors, Chief Executive Officer, authorised manager, and The Bank's adviser to effectively manage The Bank, they may also have roles in other organisations on the following conditions:

5.1.4.1 A Director, Chief Executive Officer, authorised manager, and The Bank's adviser may serve as the Chairman of the Board of Directors or as a director holding executive positions in one or more other companies, within up to 3 business groups, excluding positions within The Bank. For a company that is not part of the business group, each company will be treated as a separate business group. A company acquired by The Bank through debt restructuring will be included in the same group within The Bank's financial business group. (The Bank of Thailand may direct otherwise in the future.)

5.1.4.2 A Director, Chief Executive Officer, authorised manager, and The Bank's adviser may serve as directors in up to 5 listed companies on both domestic and international stock markets, excluding publicly listed companies acquired by The Bank through debt restructuring. If the bank in which the Director, Chief Executive Officer, Managing Director, authorised manager, or The Bank's adviser serves is a listed company, that bank must also be treated as one listed company. (The Bank of Thailand may direct otherwise in the future.)

5.1.4.3 The Bank senior executive must adhere to the The Bank's and employees' Business Code of Conduct as well as the The Bank's work regulations. They are prohibited from performing full-time duties at any other organisation without official permission from The Bank subject to the Bank of Thailand's decision that serving in another organisation will not affect the performance efficiency of their duties at The Bank.

5.2 Duties, responsibilities, and Board of Directors composition of The Bank

5.2.1 Duties and responsibilities of The Bank's Board of Directors

The Board of Directors of The Bank has the duty and responsibility to establish significant strategies and policies, oversee the The Bank's effective mechanisms for control, supervision, auditing, and continuous monitoring of its operations. This ensures that The Bank conducts its business fairly, transparently, and with accountability to stakeholders under the principles of good corporate governance, while creating value for The Bank in the long run. The details are discussed below.

5.2.1.1 Formulating key strategies and policies by:

- a) establishing The Bank's comprehensive strategic direction and objectives, including assessing and endorsing significant policies and strategies in The Bank's operations, as well as overseeing The Bank's operations with a focus on ensuring sustainable business performance;
- b) establishing or approving the risk oversight framework to support The Bank's business operations in line with the specified directions and goals under the rapidly changing environment and the increasing use of technology in business operations. The Board of Directors of The Bank prioritises managing risks associated with The Bank, such as credit risk, market risks, operational risks, liquidity risks, reputational risks, strategic risks, and information technology risks. This also encompasses risks arising from new product launches and significant changes to work systems, such as mergers and acquisitions and major system enhancements. Additionally, focus is on using adequate risk management tools, maintaining the link between risk management and The Bank's capital adequacy and liquidity. Furthermore, the Board of Directors will

oversee the implementation of an efficient risk management system and process within The Bank to support its various business activities. This includes nurturing a risk culture and establishing a policy on appropriate remuneration to motivate and retain high-quality personnel who uphold their duties with integrity. Additionally, there will be an effective remuneration structure aligned with the risk-conscious corporate culture. The responsibilities of the Board of Directors of The Bank in relation to the risk oversight framework are outlined in 6.2, and the details of the effective remuneration structure can be found in 6.3;

- c) establishing or approving a comprehensive and written Good Corporate Governance Policy that clearly defines The Bank's commitment to fair and equitable treatment of all stakeholders. This policy embodies integrity in business practices and ensures the well-being of customers and the general public, encompassing areas such as lending, deposits, off-balance sheet transactions, and other relevant matters, including:
 - 1) ensuring that The Bank establishes or approves the Conflict of Interest Policy to prevent actions taken for personal or affiliated interests, conflicts of interest, and the disregard of significant risks, particularly in transactions involving individuals related to The Bank, which require special care;
 - 2) ensuring that The Bank has regulations on business ethics, including the ethical conduct of Directors, authorised managers, and employees, to serve as internal guidelines within the organisation;
 - 3) ensuring that The Bank manages customer services fairly to comply with the Bank of Thailand's Notification on Market Conducts, which encompasses the end-to-end processes related to customer services;
 - 4) ensuring that The Bank has an effective Whistleblowing Policy and Procedure in place to monitor and report potential illegal activities, violations of internal processes, and breaches of business ethics. Details of the Whistleblowing Policy and Procedure within the organisation are specified in 6.4.

5.2.1.2 Ensuring that The Bank has effective mechanisms for control, supervision, and audit by:

- a) supervising the directors and executives to fulfil their duties with responsibility, vigilance, honesty, and integrity towards the organisation, for the The Bank's best interest. This includes compliance with applicable laws, objectives, articles of association, resolutions of the Board of Directors' meetings, resolutions of the

shareholders' meetings, as well as the The Bank's policies or guidelines; implementing adequate systems or mechanisms to ensure that The Bank's operations adhere to these guidelines. This includes establishing approval processes for significant operations such as investments, transactions with Connected Person, acquisition or disposal of assets, and dividend payments to comply with relevant laws and regulations;

- b) establishing and maintaining an appropriate balance of power within The Bank's Board of Directors, placing significant importance on the proportion or number of independent directors serving on the Board of Directors and their effective performance of oversight duties. This includes organising regular meetings specifically designed for non-executive directors to foster effective collaboration;
- c) considering and appointing the roles and responsibilities of various sub-committees in accordance with the suitability and necessity of The Bank to assist and support the functions of the The Bank's Board of Directors. This includes reviewing and approving changes in composition, particularly those that significantly impact the operations of the appointed sub-committees. The specific details regarding the duties, responsibilities, and composition of each sub-committee are outlined in 5.3;
- d) supervising the nomination and selection process of Directors for The Bank's Board of Directors and various sub-committees to ensure transparency and clarity. This is done to obtain Directors and sub-committees who possess the qualifications and attributes specified in this policy, relevant charters, and regulatory guidelines. The Nomination and Remuneration Committee will assess the criteria and procedures for selecting qualified Directors and expertise and provide recommendations to the The Bank's Board of Directors before presenting them for consideration at the general meeting of shareholders;
- e) ensuring that The Bank has effective internal control that covers various activities in its operations and enables timely identification of errors. Additionally, The Bank must put in place an organisational structure that facilitates control, supervision, and audit functions (Three Lines of Defense). This structure must be independent and effective in monitoring the implementation of policies and procedures, as well as ensuring compliance with laws, regulations, and directives from the Bank of Thailand and internal rules or regulations of The Bank. Effective internal control should cover various issues outlined in 6.5;

- f) ensuring that The Bank discloses important corporate governance information to the general meeting of shareholders and the public, aiming to support and demonstrate the The Bank's commitment to good practice of corporate governance. The details of corporate governance disclosure are outlined in 6.6;
- g) overseeing the annual performance assessment of the Board of Directors and individual directors, using both (1) self-evaluation and (2) cross-evaluation or third-party evaluation methods; as well as ensuring that directors receive necessary support and development to continuously enhance the skills required for their roles;

5.2.1.3 continuously monitoring and oversee The Bank's operations by:

- a) supervising The Bank's senior executives in implementing key policy goals and strategies throughout the organisation, including defining processes and work systems, to ensure that The Bank achieves its goals outlined in the policies and strategies approved or determined by The Bank's Board of Directors. The duties and responsibilities of senior executives are outlined in 5.4;
- b) ensuring that The Bank's senior executives provide The Bank's Board of Directors with updates on important matters; establishing a reporting process to ensure timely and sufficient information for the Board of Directors to fulfil their authority, duty and responsibility, including the prompt submission of the management letter from the external auditor and any comments from the The Bank's senior executive, if applicable to The Bank's Board of Directors without delay. The Board of Directors should receive these documents within a maximum of 4 months after the closing date of the accounting period. If the delay is significant, The Bank's Board of Directors must seek clarification on such matters from the The Bank's senior executives;
- c) ensuring that The Bank prepares comprehensive reports of The Bank's Board of Directors' meetings, including individual important opinions for each significant agenda item, and submitting copies of the meeting minutes. This applies to both the Board of Directors' meetings and meetings of the The Bank's Executive Committees, or any meetings held by The Bank's Board of Directors to determine The Bank's policies or for The Bank's management. The Bank should provide these reports to the Bank of Thailand within 7 days from the date the Board of Directors approves the minutes of the meeting, but no later than 45 days from the date of the meeting, unless there are justifiable reasons and a necessity to consult with the Financial Institutions Ombudsman case-by-case;

- d) ensuring that The Bank's senior executives have the ability to effectively manage its operations, including the appointment of qualified and suitable management personnel, as well as establishing a succession plan for senior executives to ensure continuous business operations at The Bank;
- 5.2.1.4 establishing a suitable framework and mechanism to oversee the operations of subsidiary and associate, ensuring accurate and consistent understanding between The Bank and these entities;
- 5.2.1.5 evaluating annual performance of The Bank's Board of Directors, sub-committees, both collectively and individually, covering key areas such as structure and qualifications, meetings, roles, duties, and responsibilities, as well as other aspects including the relationship with management, personal development, etc. This evaluation will serve as a framework to assess performance, identify areas for improvement, and address issues and challenges encountered during the previous year. The evaluation results will be used to enhance the future execution of duties by The Bank's Board of Directors, sub-committees, and individual directors;
- 5.2.1.6 guiding and overseeing to ensure that each director possesses the necessary knowledge and understanding of their roles and responsibilities, the nature of The Bank's business, objectives, main goals, vision, mission and the relevant laws governing its operations; supporting the continuous skill-building and knowledge development of all directors for the effective performance of their duties; and disclosing information regarding the The Bank's training programmes and knowledge enhancement initiatives in the The Bank's annual registration statement (Form 56-1 One Report);
- 5.2.1.7 ensuring the smooth functioning of The Bank's Board of Directors' operations, including facilitating access to essential information, and appointing a secretary who possesses the necessary knowledge and relevant experience to support the The Bank's Board of Directors' activities effectively;
- 5.2.1.8 understanding and acknowledging the responsibilities as a leader in overseeing the organisation's effective management, which encompasses defining objectives and goals, formulating strategies, operational policies, and allocating critical resources to achieve the objectives and goals. Additionally, it involves monitoring, evaluating, and supervising performance reporting;
- 5.2.1.9 ensuring that the roles and responsibilities of The Bank's Board of Directors and sub-committees are disclosed, including the number of meetings held and the attendance of each director in the previous year, as well as the performance of all sub-committees, in the Annual Registration Statement (Form 56-1 One Report);

- 5.2.1.10 disclosing in the Annual Registration Statement (Form 56-1 One Report) and on The Bank's website the policy regarding the composition of The Bank's diverse Board of Directors and providing information about the directors, including their age, educational background, experience, shareholding percentage, start date of appointment, and tenure as directors and/or executives in other listed companies;
- 5.2.1.11 appointing one or more directors from The Bank's Board of Directors and/or executives and/or management of The Bank as members of the sub-committees to fulfil specific duties. The members of each sub-committee serve for 3 years, aligning with the Board of Directors' tenure (if they also hold a director position), and must carry out assigned responsibilities as directed by The Bank's Board of Directors. The composition, qualifications, appointment, tenure and retirement, meeting, and scope of duties and responsibilities are outlined in the charter of each respective sub-committee;
- 5.2.1.12 continuously monitoring and enhancing the management and development of personnel to ensure they possess suitable knowledge, skills, experience, and motivation;
- 5.2.1.13 understanding the structure and relationships of shareholders that may impact the business management and the authority to oversee the business management. This is to ensure that The Bank's Board of Directors' duties are not impeded and that information that may influence the control and management is appropriately disclosed.

5.2.2 Duties and responsibilities of The Bank's Board of Directors

To ensure the effective and transparent performance of the Directors' responsibilities in monitoring and overseeing The Bank's operations, the Directors must have knowledge and understanding of their qualifications, duties, and responsibilities, and comply with the following requirements.

- 5.2.2.1 Members of the Board of Directors must perform duties with responsibility, exercising due care and diligence (duty of care) and to act honestly and loyally (duty of loyalty), without seeking personal benefits, avoiding conflicts of interest and discrimination, and maintaining vigilance to safeguard the overall interests of The Bank. This includes not favouring any particular group of shareholders, and ensuring no interference in decisions that could increase The Bank's risk. Any potential conflicts of interest must be presumed to lack integrity unless there is a reasonable and justifiable explanation.

To prevent conflicts of interest, if a Director has a personal interest, whether direct or indirect, in any agenda item, they must notify the Board of Directors and refrain from participating or being involved in the decision-making or voting process for that agenda item.

- 5.2.2.2 Members of the Board of Directors must have adequate information before making decisions or voting in order to make informed and reasonable business decisions at a level expected of finance and banking professionals.
- 5.2.2.3 Members of the Board of Directors must make rational decisions or resolutions with reasons supporting them at a level expected of financial and banking professionals. Directors will have a range of decisions that could be considered reasonable and logical. However, decisions or resolutions that fall completely outside the scope of financial and banking professionals must not be considered as rational decisions or resolutions.
- 5.2.2.4 Members of the Board of Directors must allocate sufficient time and ability to fully perform their duties and responsibilities. Each Director must actively participate in inquiries and provide useful opinions during meetings to the best of their abilities. They must attend at least 75% of the Board of Directors' meetings held annually during their tenure unless there are reasonable and necessary grounds for absence.
- 5.2.2.5 The Chairman of the The Bank's Board of Directors has a role to play in promoting a culture of open and inclusive discourse during meetings and fostering positive relationships between Executive Directors and Non-Executive Directors.
- 5.2.2.6 Members of the Board of Directors must develop themselves based on the annual performance evaluation results.
- 5.2.2.7 Members of the Board of Directors must strictly comply with the laws concerning public limited companies and other relevant legislation, including the company's objectives, articles of association, resolutions of the Board of Directors' meetings, resolutions of the general meeting of shareholders, as well as directives of the Bank of Thailand's bank inspector.
- 5.2.2.8 Members of the Board of Directors must report information regarding directorship, management positions, serving as a controlling person in a limited company or other public limited company, as well as serving as managing partner in an ordinary partnership or partner with unlimited liability in a limited partnership, to comply with the criteria and procedures established by the Board of Directors of The Bank.

5.2.3 Board of Directors composition

To ensure a balanced exercise of power between the management authority and/or Major Shareholders and to effectively oversee the The Bank's operations to respond to the volatile, uncertain, complex, and ambiguous financial environment, The Bank's Board of Directors composition is as follows.

- 5.2.3.1 The general meeting of shareholders determines the number of directors of The Bank, with each Director having a 3-year term in office. Retiring Directors may be re-elected by the general meeting of shareholders.
- 5.2.3.2 A Director must possess the required qualifications and must not have any characteristics that are prohibited by law.
- 5.2.3.3 At least one-third of the total number of The Bank's Board of Directors must be independent directors, but in any case this number of independent directors must not be less than three. The independent directors must have the qualifications and must not possess any characteristics that are prohibited by laws, notifications, regulations, and/or rules set by the Capital Market Supervisory Board and the Stock Exchange of Thailand.
- 5.2.3.4 The Chairman of The Bank's Board of Directors must be an independent director or a non-executive director, except with approval on a case-by-case basis by the Bank of Thailand. The Bank of Thailand may consider imposing conditions for approval to establish a mechanism that promotes appropriate balance within the Board of Directors of The Bank.

To comply with the principles of good corporate governance, if the Chairman of the Board of Directors lacks these qualifications, but was approved by the Bank of Thailand, the Board of Directors of The Bank may consider promoting a balance of power between the Board of Directors and the management team. The following additional actions may be considered.

- (1) More than half the total number of the Board of Directors will be independent directors. or
- (2) One independent director is appointed to participate in considering and determining the agenda of the Board of Directors' meeting.

- 5.2.3.5 The Board of Directors comprises members with diverse knowledge, abilities, experience, or overall skills, suitable for the size, complexity, nature of the business, and risks of The Bank, including its long-term strategy and operations. Moreover, the Board of Directors must have at least one director who possesses knowledge or experience in the field of information technology.

5.3 Duties, responsibilities, and composition of sub-committees

To ensure that the Board of Directors of The Bank fulfils their duties and responsibilities, as well as oversees and supervises The Bank's operations in line with the policies and strategies under the principles of good corporate governance, the Board of Directors of The Bank must establish the Audit Committee and the Risk Oversight Committee. They must also consider appointing the Nomination Committee and Remuneration Committee, as well as other sub-committees to support the Board of Directors of The Bank in carrying out their necessary and appropriate duties, considering the size, complexity, and nature of the The Bank's business and risks, including its

long-term strategy and operations. The Board of Directors of The Bank may designate the same set of members for the Nomination and Remuneration Committee. Each sub-committee's responsibilities and composition are outlined below.

5.3.1 Audit Committee

5.3.1.1 Duties and responsibilities

- a) To ensure that The Bank's financial reporting is accurate and sufficient;
- b) To review and assess The Bank's internal control and internal audit systems to ensure their appropriateness and effectiveness;
- c) To review The Bank's compliance with the securities and exchange laws, regulations of the Stock Exchange of Thailand, or laws related to the The Bank's business;
- d) To consider, select, nominate, and propose the appointment and remuneration of the The Bank's auditors;
- e) To consider the disclosure of The Bank's information, particularly in cases of connected transactions or transactions that may give rise to conflicts of interest, to ensure accuracy and completeness;
- f) To prepare the Audit Committee's Corporate Governance Report and include it in the The Bank's Annual Registration Statement (Form 56-1 One Report);
- g) To determine in writing based on the The Bank's Board of Directors' approval clear responsibilities of the Audit Committee, as well as any changes in its composition and significant changes impacting the Audit Committee's performance and disclose them to shareholders in The Bank's Annual Registration Statement (Form 56-1 One Report);
- h) To report to The Bank's Board of Directors for internal improvement within a timeframe determined as appropriate by the Audit Committee if the Audit Committee identifies or suspects any of the following transactions or actions:
 - 1) conflict of interest transactions;
 - 2) fraud or irregularities or significant defects in the internal control system;
 - 3) violation of banking business law, the securities and exchange law, the Stock Exchange of Thailand's regulations, the Bank of Thailand's regulations, or other laws related to The Bank's business and securities and other laws. If The Bank's Board of Directors or management fails to correct the violation within the timeframe specified by the Audit Committee, the Audit Committee

will disclose the violations in The Bank's annual registration statement (Form 56-1 One Report) and report them to the Bank of Thailand;

- i) To evaluate the efficiency and effectiveness of the Head of Internal Audit;
- j) To carry out any other tasks as assigned by The Bank's Board of Directors with the approval of the Audit Committee.

The Audit Committee will review its roles and responsibilities and determines the tenure of the members serving on the Audit Committee. Moreover, the Audit Committee may seek professional opinions from external consultants at The Bank's expense.

5.3.1.2 Composition

To ensure effective and independent performance, the Audit Committee composition must comply with the following requirements.

- a) The Audit Committee comprises at least 3 Directors, all of whom must be independent directors and possess no characteristics prohibited by relevant laws. They must also have the qualifications and fulfil the duties in accordance with the criteria set by the Office of the SEC and the Stock Exchange of Thailand. This enables them to carry out their responsibilities efficiently and independently and perform duties assigned by The Bank's Board of Directors, including reviewing financial reports, internal control systems, legal compliance, the independence of the internal audit department, auditor selection, disclosure of The Bank's information, and preparation of the Audit Committee's report, among others, as specified in the Audit Committee Charter.
- b) The Chairman of the Audit Committee must not concurrently hold the position of Chairman in the Board of Directors, Risk Oversight Committee, Nomination Committee, and/or Remuneration Committee.

5.3.2 Risk Oversight Committee

5.3.2.1 Duties and responsibilities

- a) To advise the Board of Directors on The Bank's risk governance framework;
- b) To ensure that senior executives, including the head of the risk management unit, adhere to risk management policies and strategies, including acceptable risk levels;
- c) To oversee the The Bank's fund management and liquidity strategies to accommodate different risks, ensuring alignment with the approved risk tolerance levels;

- d) To ensure the adequacy and effectiveness of the The Bank's overall risk management policy and strategy, including risk tolerance, a periodic review and assessment will be conducted at least once a year or in cases of significant changes. As part of this review, the Risk Oversight Committee will discuss and exchange views with the Audit Committee, evaluating the comprehensiveness of the The Bank's risk management policies and strategies, which encompass all types of risks, including emerging risks. Additionally, the committee will verify the efficient and effective implementation of these policies and strategies;
- e) To report to The Bank's Board of Directors on the risk position, effectiveness of risk management, and corporate culture that emphasizes risk management, as well as identifying significant factors, problems, and areas requiring improvement for compliance with The Bank's risk management policies and strategies;
- f) To opine on or participate in evaluating the efficiency and effectiveness of the highest-ranking executive's performance within the Risk Management Unit.

5.3.2.2 Composition

- a) The Risk Oversight Committee comprises at least 3 committee members.
- b) The Chairman of the Risk Oversight Committee is selected from either an independent director or a non-executive director.
- c) All members are selected from the Board of Directors, senior executives, or The Bank's advisers, at least half the number of which must be independent directors, non-executive directors, or The Bank's advisers who perform duties similar to directors.
- d) At least one member must possess knowledge, expertise, and understanding of risks related to The Bank's business.

5.3.3 Nomination and Remuneration Committee

5.3.3.1 Duties and responsibilities

Duties and responsibilities relating to nomination

- a) To establish policies, criteria, and procedures for the recruitment of directors and authorised managers, in order to propose them to The Bank's Board of Directors for approval and submission to the Bank of Thailand upon request;
- b) To identify and propose suitable individuals for consideration by the The Bank's Board of Directors for appointment to various positions as follows:

- 1) Director;
 - 2) member of sub-committees directly authorised by The Bank's Board of Directors to have power, duties and responsibilities;
 - 3) authorised manager;
 - 4) The Bank's adviser;
- c) To ensure that The Bank's Board of Directors has an appropriate size and composition that aligns with the organisation and adapts to the changing environment. The Nomination Committee oversees the development of mechanisms or tools to support the selection process and nominate individuals who possess the desired characteristics, knowledge, expertise, and experience necessary for the The Bank's effective operation in the long term. This includes considering the creation of a Skill Matrix that identifies the specific knowledge and expertise required in various areas;
- d) To oversee the disclosure of the policies and details of the selection process for directors and authorised managers in the The Bank's annual registration statement (Form 56-1 One Report).

Duties and responsibilities relating to remuneration

- a) To establish the policy for determining remuneration and other benefits, including the amount of remuneration and other benefits, for directors and authorised managers, commensurate with their objectives, duties and responsibilities, and related risks. Clear and transparent criteria must be defined to propose to The Bank's Board of Directors for approval and submit this policy to the Bank of Thailand upon request;
- b) To ensure that directors and authorised managers receive remuneration commensurate with their duties and responsibilities. Directors assigned additional duties and responsibilities should receive remuneration appropriate to the specific duties and responsibilities assigned to them;
- c) To establish guidelines for evaluating the performance of directors and authorised manager and for considering an adjustment to annual remuneration, considering their duties, responsibilities, and related risks; as well as to prioritise the long-term increase in shareholders' equity value for consideration and evaluation purposes;
- d) To disclose the remuneration policy and various forms of remuneration, as well as prepare a remuneration report. The report must at least include details of the factors used in assessing overall performance, the The Bank's objectives and operations, the

Remuneration Committee's opinions, and methods and tools for remuneration that reflect risks (if any). This information must be included in the The Bank's annual registration statement (Form 56-1 One Report).

The Nomination and Remuneration Committee will meet at least twice each year and may seek professional advice from external consultants at The Bank's expense. Additionally, the Nomination and Remuneration Committee will closely engage with the Risk Oversight Committee to ensure that the remuneration policy effectively reflects The Bank's significant risks.

5.3.3.2 Composition

5.3.1 The Nomination and Remuneration Committee comprises at least 3 committee members.

5.3.2 The Chairman of the Nomination and Remuneration Committee is selected from an independent director.

5.3.3 All members are from independent directors or non-executive directors.

5.3.4 Corporate Governance and Sustainability Development Committee

5.3.4.1 Duties and responsibilities

- a) To define the environmental, social, employee, and corporate governance boundaries, policies, and practices, and to establish the The Bank's Business Code of Conduct and good corporate governance, as well as safety, occupational health, and working environment, for regular presentation to The Bank's Board of Directors, emphasizing the creation of sustainable business value in accordance with appropriate local and international principles and standards of good corporate governance to achieve the vision, core goals, and business strategy, according to the United Nations' Sustainable Development Goals (SDGs);
- b) To evaluate and review the The Bank's policies, practices, and boundaries regarding the environment, society, employees, good corporate governance, and the The Bank's Business Code of Conduct; as well as to ensure good corporate governance, safety, occupational health, and working conditions align with international standards and the SET; to advise The Bank's Board of Directors for continuous improvement, with a focus on environmental sustainability throughout the value chain to foster the The Bank's sustainable growth;

- c) To propose and advise the The Bank's Board of Directors on good corporate governance and sustainable development, aiming to foster sustainability in three dimensions: environment, society and employees, and corporate governance;
- d) To ensure that The Bank's Board of Directors and executives comply with its policies on environmental, social, employee, and corporate governance matters, and to promote sustainable banking practices, the The Bank's Business Code of Conduct, the The Bank's principles of good corporate governance and policies regarding safety, occupational health, and working environment. The aim is to ensure that all divisions within The Bank operate in alignment with the The Bank's objectives, primary goals, and strategic plans, leading the The Bank's business towards long-term sustainability. The Human Resources Management Division executive is assigned to gather relevant data and prepare a report to present the performance outcomes, in collaboration with relevant departments or units, to the The Bank's Board of Directors;
- e) To consistently promote knowledge and communication, fostering a culture of good corporate governance and sustainable development, and active participation in social initiatives for sustainable progress, benefiting all The Bank employees;
- f) To review and monitor the disclosure of information on the effective corporate governance and sustainable development in The Bank's annual registration statement (Form 56-1 One Report);
- g) To carry out any other tasks assigned by the The Bank's Board of Directors.

5.3.4.2 Composition

- a) The Corporate Governance and Sustainability Development Committee comprises at least 3 members.
- b) The Chairman of the Corporate Governance and Sustainability Development Committee is selected from either an independent director or a non-executive director.
- c) All members are appointed from directors, senior executives, or other persons.

5.4 Duties and responsibilities of senior executives

Under the Bank of Thailand's guidelines on the corporate governance of financial institutions, the The Bank's senior executives have duties and responsibilities to ensure its operations achieve the targets in the policies approved or determined by The Bank's Board of Directors. These duties and responsibilities are:

- 5.4.1 To implement The Bank's policies and operational strategies, risk governance framework (including risk management policies and strategies, as well as acceptable risk levels), remuneration policy and the Good Corporate Governance Policy approved by The Bank's Board of Directors, ensuring strict and comprehensive compliance;
- 5.4.2 To establish processes and systems and implement them to ensure that The Bank achieves its goals in the approved policies and strategies by the Board of Directors. These processes and systems encompass effective overall risk management and various types of risks that are significant and aligned with the The Bank's strategies. This includes defining guidelines and procedures for identifying, assessing, controlling, monitoring, and reporting all significant risks faced by The Bank. Additionally, risk limits are set to align with acceptable risk levels;
- 5.4.3 To instill an organisational risk-awareness culture and effectively communicate risk management policies, strategies, risk tolerances, and risk thresholds to all employees within the organisation with the aim to ensure they understand the importance, responsibilities, and risks associated with their work processes; and to implement stringent regulations, rules, and operational procedures to exercise control and ensure adherence to the established policies;
- 5.4.4 To manage the risks of The Bank at an appropriate and acceptable level, ensuring they do not exceed the approved risk ceiling established by The Bank's Board of Directors. This is to limit potential significant damages that may arise from business operations and preserve the The Bank's position;
- 5.4.5 To report on the risk profile, efficiency, and risk management guidelines, as well as the status of adherence to the organisational culture that considers risk, significant factors, issues, and necessary remedial actions are promptly reported to the The Bank's Board of Directors and relevant sub-committees for timely consideration and determination of corrective measures; ensure that the reports are accurate, comprehensive, timely, and reflect the nature of risks, including the adequacy of funds and the The Bank's liquidity position;
- 5.4.6 To establish an appropriate chain of command or reporting structure and clearly define the roles and responsibilities of each unit within that structure to facilitate effective risk management, supervision, control, and auditing; and ensure that the controlling unit can independently and professionally carry out its duties without being unduly influenced by the business unit;
- 5.4.7 To periodically review the risk management processes and systems, including risk thresholds, and to review them whenever significant events occur that may have a significant impact on The Bank's stability. These events may include economic crises both domestically and internationally, the introduction of new financial products, and changes to regulatory guidelines or requirements;

5.4.8 To ensure an adequate number of personnel with sufficient knowledge, skills, and understanding of financial techniques and relevant businesses to effectively fulfil their responsibilities in risk management and internal control functions;

5.4.9 To support the The Bank's Board of Directors in ensuring that the authorised managers possess the necessary qualifications and abilities to effectively manage the The Bank's operations.

6. Corporate governance and good governance guidelines

6.1 Determination of objectives and main goals of the business for sustainability

6.1.1 The The Bank's Board of Directors recognises the utmost significance of establishing clear and appropriate objectives and main goals for the organisation's business operations. These objectives and goals serve as fundamental concepts for defining a business model that generates value and benefits for the organisation, its customers, business partners, employees, shareholders, stakeholders, and society as a whole. Furthermore, the Board of Directors aims to foster effective communication and cultivate a corporate culture where the organisation's objectives and main goals are reflected in decision-making and the actions of all personnel at every level. This culture aligns with the principles of good corporate governance, enabling the organisation to achieve sustainable growth in harmony with society.

6.1.2 The Bank's objectives, goals, strategies, and business plans, both annual and long-term, must align with its objectives and primary goals. These should be supported by an analysis of the environment, factors, and various risks that may impact all stakeholders, while considering the potential effects on achieving The Bank's objectives and main goals. This analysis should use innovations and technologies appropriately and securely, aiming to enhance competitiveness and meet the needs of stakeholders. These efforts should be built on the principle of social and environmental responsibility. Moreover, maintaining vigilance towards the risks associated with setting goals that may result in unlawful or unethical conduct is essential. Effective supervision plays a vital role in facilitating the communication of objectives and goals throughout the organisation via strategies and plans.

6.2 Risk governance framework

The Bank's Board of Directors must establish or approve a robust and effective risk governance framework. This encompasses risk appetite, risk management policies, and strategies, ensuring that The Bank puts in place a comprehensive risk management policy and process. Furthermore, fostering a risk-conscious corporate culture within the organisation is important. The duties and responsibilities of The Bank's Board of Directors in relation to a sound risk governance framework are outlined below.

6.2.1 The Board of Directors must establish or approve comprehensive risk management policies and strategies. These policies should align with the The Bank's risk profile, business model, and consider the The Bank's systemic significance, capital strength, and liquidity position. These policies and strategies

must be documented and effectively communicated to relevant stakeholders. Any changes to these policies and strategies must always receive prior approval from The Bank's Board of Directors.

6.2.2 The Board of Directors must ensure that The Bank has comprehensive risk-taking policies and processes, including internal pricing procedures (if applicable), that align with the overall risk management policies and strategies and approved risk tolerances. Additionally, the Board of Directors must oversee that The Bank maintains a cautious and prudent transaction policy that is suitable for the economic conditions, as well as policies to manage non-performing loans or problematic investments and adequate provisions for non-performing debts to cover potential losses.

6.2.3 The Board of Directors must delegate and oversee senior executives to establish risk limits in line with acceptable risk levels, as well as ensure regular communication to relevant individuals for acknowledgment and comprehension. Furthermore, the Board of Directors must ensure effective risk control measures are implemented to maintain risks within acceptable levels and specified thresholds.

6.2.4 The Board of Directors must delegate and oversee senior executives to develop detailed policies, processes, and risk management systems encompassing the overall risk landscape and various risk types. These should include guidelines or practices for risk identification, assessment, monitoring, control, and reporting. Furthermore, an efficient data system capable of supporting the management and reporting of all significant risks of The Bank, present and future, consistent with the The Bank's strategy, must be established. This should at least cover credit, market, operational, liquidity, reputation, strategic, compliance, and information technology risks, while considering the The Bank's risk profile and recognising its systemic significance. Risks originating from market and macroeconomic conditions must also be evaluated.

If The Bank uses a model for risk measurement, The Bank's Board of Directors will assign senior executives to oversee the The Bank's adherence to the minimum standards set by the Bank of Thailand. They must also regularly and independently evaluate and assess the reliability of the models. Furthermore, The Bank's Board of Directors must be aware of and comprehend the limitations and uncertainties associated with the model's outcomes and the risks stemming from its use.

6.2.5 The Board of Directors must approve an organisational structure that facilitates monitoring, supervision, control, and auditing of operations to align with risk management policies, strategies, processes, and practices. Reporting lines or reporting channels must be designed to ensure a balanced distribution of power and independence between risk-generating units and the risk management function.

6.2.6 The Board of Directors must ensure the cultivation of a risk-conscious corporate culture by overseeing the communication of risk management policies and strategies, including risk tolerances and risk ceilings, which may be in the form of requirements for acceptable risk levels. The Risk Appetite Statement (RAS) is intended to promote understanding and awareness among all employees within the organisation

regarding the significance and their responsibilities related to risk, fostering increased vigilance and attentiveness in their operational practices.

- 6.2.7 The Board of Directors must review and assess the adequacy and effectiveness of the overall risk management policy, strategy, and risk tolerance. This review should take place at least once a year or promptly whenever there are significant changes, such as changes in risk characteristics, business strategies, or systemic significance of The Bank, market and macroeconomic conditions to enhance and tailor the policies and strategies to align with the evolving circumstances.
- 6.2.8 The Board of Directors must monitor the status of risks, including both overall and various types of risks, as well as the effectiveness of risk management and compliance with a risk-conscious corporate culture. The Board of Directors must stay informed about significant factors and issues by regularly receiving reports from relevant sub-committees and senior executives. These senior executives are responsible for ensuring that the reports are accurate, complete, timely, and reflect the nature of risks, including the adequacy of capital and liquidity of The Bank.
- 6.2.9 The Board of Directors must ensure that The Bank has stable and adequate capital and liquidity to support its present and future business operations. This is achieved by:
- 6.2.9.1 monitoring the The Bank's capital position and liquidity regularly. To this end, the Board of Directors must actively ensure that both the Board of Directors and senior executives receive adequate and timely information. They must also understand the The Bank's risk levels, including the implications and limitations of this information, through regular reviews of the The Bank's risk management data;
 - 6.2.9.2 overseeing the processes and tools used to monitor the adequacy of capital and liquidity, enabling The Bank to maintain a stable and adequate level of liquidity to support its current and future business operations. These processes should be consistent with internationally recognised practices, such as the Internal Capital Adequacy Assessment Process (ICAAP) under Pillar 2 of Basel, which includes stress testing capital and assessing The Bank's ability to withstand changes. Additionally, capital planning must be implemented to support The Bank's business expansion, both in the present and the future, in line with its business strategy. The Board of Directors must establish policies related to the development of a recovery plan to comply with the relevant Bank of Thailand's guidelines;
 - 6.2.9.3 calling a general meeting of shareholders within 4 months following the end of the 6-month accounting period or within the timeframe prescribed under section 67 paragraph 4 of the Financial Institutions Business Act B.E. 2551, whichever comes first if The Bank experiences losses resulting in a reduction of shareholders' equity to less than 50% of the paid-up capital at the end of the six-month period. Another general meeting of shareholders is to be called when

the shareholders' equity falls below 25% of the paid-up capital. The purpose of this meeting is to inform the shareholders about The Bank's actual status and operating results;

- 6.2.10 The Board of Directors must implement a clear and effective Anti-Corruption Policy, ensuring communication at all levels of the organisation and with external individuals to enable practical implementation. Additionally, the Board of Directors must implement projects or guidelines to combat corruption, including supporting initiatives that encourage and embed compliance with relevant laws and regulations among all employees.

6.3 Remuneration structure

An effective remuneration structure is implemented based on the following principles to ensure that The Bank has a remuneration structure that aligns with the objectives and risks of each unit, while considering its long-term stability and retaining qualified personnel who perform their duties with integrity and efficiency.

- 6.3.1 To ensure that The Bank has a remuneration structure that reflects the objectives and risks of each unit, including material risk-takers and control functions such as the risk management function, compliance function, and internal audit function, the structure should consider the long-term stability of The Bank and the retention of qualified personnel who carry out their duties with integrity and efficiency. It should not be excessively tied to short-term goals or profits, nor should it create excessive incentives for speculative transactions that could undermine The Bank's stability. The Bank may consider implementing tools and methods that support the remuneration structure, considering the duties of each unit, long-term risks, and potential future damages. This could include the deferred variable pay, the reduction of bonuses (malus), and the payment of bonuses based on The Bank's share value (if applicable), among other measures. The Bank will determine suitable approaches and processes in accordance with its ongoing operations.
- 6.3.2 The efficiency and effectiveness of the compensation structure are periodically monitored and evaluated to consider potential revisions or additional measures that ensure The Bank's operations are supported by the remuneration structure within a framework of robust risk governance.
- 6.3.3 The general meeting of shareholders may approve Directors' remuneration. Therefore, the Nomination and Remuneration Committee and The Bank's Board of Directors will carefully consider Directors' remuneration when proposing it at the general meeting of shareholders. This is to ensure that the structure and remuneration rates align with the scope of roles and responsibilities, experiences, duties, The Bank's strategy and goals, as well as the expected benefits from each director, to provide motivation for The Bank's Board of Directors to lead the organisation in achieving both short-term and long-term objectives.

6.4 Whistleblowing Policy and Procedure

The Bank has established a policy and procedure for internal whistleblowing to ensure that The Bank has an internal surveillance process that facilitates the reporting of any potentially unlawful, policy-violating, breach of regulation, internal procedure and Business Code of Conduct, thereby promoting fairness and enabling the comprehensive reporting and resolution of corruption, illegal actions, or internal rule violations. The policy covers at least the following matters.

6.4.1 This policy is designed to provide clear procedures and channels for reporting whistleblowing or complaints. It includes measures to protect whistleblowers or complainants from bullying, intimidation, or negative consequences resulting from reporting information or destroying evidence.

6.4.2 The policy includes details of individual responsible for receiving whistleblowing reports or complaints and the clear channels for receiving these reports or complaints are taken into consideration. Confidentiality is maintained to ensure the protection of whistleblowers or complainants and to facilitate the process without interference. This may include reporting the whistleblowing reports or complaints directly to the Chairman of the Audit Committee or independent directors, the Chief Executive Officer of Internal Audit, or the Chief Human Resources Officer.

6.4.3 The effective process for handling whistleblowing reports or complaints must encompass at least the following components: gathering factual information, data processing, data screening, composition of the panel, consideration period, measures for disciplining wrongdoers, measures for mitigating damages to affected individuals, and reporting the results of the consideration and disciplinary actions to the Audit Committee or The Bank's Board of Directors.

6.4.4 All personnel in the organisation are informed about the policy, process, and whistleblowing channels.

6.5 Internal Control and Internal Audit Policy

To effectively and timely monitor and control potential damages and errors, The Bank has implemented efficient internal controls to at least encompass the following details:

6.5.1 Clear delegation of duties

6.5.1.1 The powers, duties, and responsibilities delegated by The Bank's Board of Directors are documented, clearly specifying the scope of the assigned duties and any limitations on the exercise of delegated powers. The Bank's Board of Directors acknowledges that ultimate responsibility remains with The Bank's Board of Directors even when authority is delegated to sub-committees or senior executives.

6.5.1.2 A suitable monitoring system is in place to ensure that The Bank's activities are conducted by individuals who have the assigned roles and responsibilities. Any actions beyond the scope of their significant roles and responsibilities must be immediately reported to The Bank's Board of Directors.

6.5.2 Check and balance

6.5.2.1 The validation process ensures thoroughness and accuracy at each crucial step and operational process to mitigate errors and risks. It ensures that no single individual bears the sole responsibility throughout the process, emphasizing a clear segregation of duties. This is particularly important between the front office and the back office.

6.5.2.2 An effective Three Lines of Defense approach is implemented by structuring The Bank with independent units responsible for control, supervision, and auditing to effectively perform their duties. The roles and responsibilities of each unit are clearly defined. The Business Unit or First Line of Defense, the Second Line of Defense consisting of Risk Management, Compliance, Credit Review, and the Third Line of Defense represented by Internal Audit, work together to ensure appropriate checks and balances. The Bank adheres to the Bank of Thailand's guidelines on internal audit and compliance with the The Bank's rules.

Units responsible for control, such as the risk management department, compliance department, and the internal audit department, can effectively and independently perform their duties. The internal audit department reports directly to the Audit Committee and The Bank's Board of Directors. The risk management and compliance department reports to the supervisory-level committees, such as the Risk Oversight Committee or other committees composed of The Bank directors, and ultimately to the Board of Directors. Additionally, they report to the Chief Executive Officer or Managing Director.

In addition, The Bank's Board of Directors must approve the appointment, transfer, removal, and dismissal of the highest executives of the risk management department and the internal audit department, and notify the Financial Institutions Business Supervision Department and the Financial Institutions Policy Group of the Bank of Thailand. This notification must be made within 15 days from the date of the change. The Board of Directors may either act directly or delegate the responsibility to appropriate sub-committees to perform these tasks on its behalf.

6.5.2.3 Regular evaluation of the adequacy of audit and control mechanisms must be in place, as well as the segregation of duties and responsibilities among different departments or individuals.

6.5.3 Business units, control units, and operational units must have adequate resources and personnel with sufficient knowledge, skills, and experience suitable for their respective roles to support efficient and effective performance. This includes the highest-ranking executives of the control units, such as the top executives of the risk management department, the compliance department, and the internal audit department, who should hold positions or status within the organisation that are sufficiently high to effectively carry out their auditing and balancing duties.

- 6.5.4 A non-compliance reporting system is in place to enable the Board of Directors and senior executives to monitor and address any non-compliance with laws, regulations, or internal policies of The Bank that may have a significant impact or harm its business.
- 6.5.5 The Board of Directors supervises the accounting and record keeping for all activities of The Bank. It ensures the proper preparation and maintenance of accounts and related documents, as well as the implementation of an accounting and financial reporting system to accurately depict the The Bank's financial status and actual operating results. The accounting and record keeping information must be disclosed to the shareholders, depositors, and the general public, enabling them to be informed and verify the information. Additionally, The Bank's Board of Directors must have the necessary knowledge, understanding, and responsibility to oversee the accurate preparation of accounts.
- The accounting and financial reporting system is capable of providing accurate, timely, and sufficiently detailed information regarding the financial status, operational performance, and risks of The Bank. These reports must be prepared regularly and can be generated upon request to support effective management, monitoring, control of The Bank's operations, and for reporting to regulatory bodies. Furthermore, The Bank maintains adequate accounts, information, and related documents that allow for examination, and specific time periods for account storage have been established. The Bank adheres to relevant laws, regulations, and storage formats to ensure that this information can serve as legal evidence and be accessed as required.
- 6.5.6 The Bank has implemented adequate and appropriate control systems safeguard its assets, protecting its premises. This includes restricting access to critical areas such as computer rooms, ensuring that only authorised personnel are granted entry. This measure mitigates the risk of unauthorised transactions and fraudulent activities. Access to significant assets, such as cash and securities, is controlled through the practice of dual control, requiring at least two officers to be involved in performing tasks. Additionally, access records are maintained to facilitate appropriate audits. Furthermore, The Bank has equipped its premises with suitable security devices, such as fire-resistant safes, and has implemented systems to protect office access and other security measures.
- 6.5.7 The Bank's Board of Directors oversees and manages potential conflicts of interest between The Bank and its management, The Bank's Board of Directors, or shareholders. This includes safeguarding against the improper use of assets, information, and opportunities of The Bank, as well as inappropriate transactions with The Bank's Connected Persons. The Bank has also established written guidelines in its relevant policies to outline these practices.
- 6.5.8 The Bank has established a process for conducting an annual assessment or review of the adequacy of the internal control system. This assessment must be reviewed by both the Audit Committee and the Board

of Directors to ensure the effectiveness and appropriateness of the internal control system in light of evolving environments and risks.

6.6 Corporate governance disclosure

Corporate governance disclosure ensures that The Bank's stakeholders receive sufficient and appropriate information for making investment decisions or transacting with The Bank, making its operations transparent and fair. The Bank has established a policy to disclose the following information on corporate governance.

6.6.1 Disclosure to the general meeting of shareholders

At an annual general meeting of shareholders, in addition to the matters typically notified to the meeting, The Bank requires disclosure or presentation of the following matters to the shareholders.

6.6.1.1 Information on benefits and remunerations to The Bank directors from The Bank must be disclosed as follows:

- a) For non-employee directors, The Bank will inform the shareholders of the benefits and remunerations paid to each director.
- b) For employee directors, The Bank will use two separate disclosure methods:
 - 1) Benefits and remuneration received as a director will be notified or disclosed individually.
 - 2) Benefits and remuneration received as an employee will be notified or disclosed in total sum as The Bank may consider appropriate.

6.6.1.2 Benefits and remuneration received by the Chief Executive Officer, the Managing Director, authorised managers, or other non-director executives will be notified or disclosed as a total amount as may be appropriate.

6.6.1.3 The Notification or Disclosure of directorship in other companies is required for Directors, Chief Executive Officer, Managing Director, authorised manager, and The Bank's advisers who carry out responsibilities similar to directors, Chief Executive Officer, Managing Director, or authorised manager.

6.6.2 Public disclosure

The Bank requires the disclosure of the following information to the public through the annual registration statement (Form 56-1 One Report) or through the disclosure of information on The Bank's website. The website information will be updated at least once a year to ensure it remains current.

- 6.6.2.1 The The Bank organisation chart to illustrate the names and positions of management individuals, including the Top Management Executive of the risk management department, Head of Compliance, and Head of Internal Audit.
- 6.6.2.2 List of The Bank's top 10 Major Shareholders or shareholders holding the highest number of shares, including the number of shares and their respective shareholding proportions.
- 6.6.2.3 The number of meetings held each year by The Bank's Board of Directors and the sub-committees designated by the Bank of Thailand, including the Audit Committee, Risk Oversight Committee, Nomination and Remuneration Committee, and the number of meetings attended by each Director.
- 6.6.2.4 The names of The Bank's Board of Directors and sub-committee designated by the Bank of Thailand including the Audit Committee, the Risk Oversight Committee, the Nomination and Remuneration Committee, with details of director types (Executive Director or Non-Executive Director, or independent director), as well as scope of powers and duties of The Bank's Board of Directors and sub-committees.
- 6.6.2.5 Corporate governance report of the Audit Committee
- 6.6.2.6 Responsibilities of the Audit Committee, including any changes in its composition, as well as significant changes affecting the functioning of the Audit Committee.
- 6.6.2.7 Policy and procedure for the nomination of Directors and authorised managers at The Bank
- 6.6.2.8 Dividend payment policy
- 6.6.2.9 Remuneration policy encompassing factors used to evaluate overall performance, objectives, and operations, along with the Remuneration Committee's opinion and methods or tools for remuneration distribution to reflect risks (if applicable), by disclosing specific remuneration policies for the Board of Directors, authorised managers, and units or individuals that pose significant risks.
- 6.6.2.10 Fines imposed by the Bank of Thailand, the Office of the Securities and Exchange Commission, and the Office of Insurance Commission to be disclosed, both in terms of the total amount and the fines imposed under specific provisions of the relevant laws. To disclose information on fines resulting from unfair services, The Bank will comply with the Bank of Thailand's notification regarding market conduct.

6.7 Ensuring financial credibility and disclosure

- 6.7.1 The Bank's Board of Directors is responsible for overseeing the correctness, adequacy, timeliness, and compliance of the financial reporting system and disclosure of significant information with relevant rules, standards, and practices.
- 6.7.2 The Bank's Board of Directors will monitor and ensure that companies within the financial business group have adequate liquidity and debt-servicing capabilities.
- 6.7.3 If a situation arises where the business faces financial difficulties or is likely to encounter such challenges, The Bank's Board of Directors will ensure that The Bank has a plan to address the issue or alternative mechanisms to resolve the financial problem, while considering the rights of stakeholders and acting reasonably.
- 6.7.4 The Bank's Board of Directors has a policy to develop a sustainable development report as is appropriate and to consider the appropriateness of information disclosure to comply with the law. This includes the Anti-Corruption Policy, treatment of employees and stakeholders, ensuring fair treatment and respect for human rights, as well as social and environmental responsibility. This information may be disclosed in the annual registration statement (Form 56-1 One Report) of The Bank or prepared as a separate document as The Bank considers appropriate.
- 6.7.5 The Bank's Board of Directors will oversee the management to establish an investor relations department responsible for communicating and disseminating information that is beneficial to shareholders, investors, analysts, and relevant parties appropriately, equitably, and timely. Additionally, The Bank will provide a disclosure policy to manage the disclosure of confidential information and sensitive information that may impact the price of The Bank securities, along with providing guidelines to ensure organisational understanding among staff members.
- 6.7.6 The Bank's Board of Directors promotes the use of information technology for information dissemination. In addition to adhering to the specified criteria and using the Stock Exchange of Thailand's channels for information disclosure, The Bank's Board of Directors will facilitate the disclosure of information in both Thai and English through alternative channels, such as the The Bank's website, while ensuring the presentation of current information.

6.8 Promoting participation of and communication with shareholders

The Bank's Board of Directors values the The Bank's shareholders and ensures that they are treated equally. Shareholders may fully exercise their fundamental rights as shareholders. These rights include: (1) the right to buy or transfer shares, (2) the right to share in The Bank's profits, (3) the right to receive adequate and relevant information through The Bank's website and/or the SET's website, or through any other appropriate means, (4) the right to attend general meetings and independently exercise voting rights to appoint or remove Directors, consider Director

remuneration, appoint auditors, approve dividend payment, capital increase and issuance of new shares. Shareholders may also ask questions to The Bank's Board of Directors regarding The Bank's Board of Directors' reports and any other matters presented at the meeting for consideration and approval. Shareholders may propose agenda items in advance, nominate candidates for director positions, and participate in decision-making on important matters. All shareholders are entitled to one vote for each share that they hold.

In addition, The Bank's Board of Directors must also recognise and prioritise the rights of shareholders. The Bank's Board of Directors must not do anything that infringes on or violates the rights of shareholders. The Bank's Board of Directors promotes and establishes policies on shareholders' rights as follows.

6.8.1 The Bank's Board of Directors will oversee and ensure that shareholders can participate in decision-making on important matters. This includes the following.

6.8.1.1 Safeguarding and upholding the fundamental rights of shareholders, such as the right to buy or transfer shares, the right to share in profits, the right to receive adequate business information, the right to participate in a general meeting of shareholders to appoint or remove directors, and appoint auditors, to approve the allocation of dividends, the establishment or amendment of articles of association or memorandum of association, and capital reduction or increase, as well as the approval of special transactions.

6.8.1.2 Encouraging and promoting shareholder participation and exercise of their rights in various matters at the annual general meeting of Shareholders such as the right to propose meeting agenda items in advance, the right to nominate candidates for directorship in advance, the right to submit questions before the meeting, the right to express opinions and ask questions during the meeting, and the right to use other conveniences provided to minority shareholders in nominating individuals for directorship. This includes the submission of resumes and consent letters in accordance with The Bank's guidelines, regulations, and prescribed procedures.

6.8.1.3 The Board of Directors must disclose information concerning the date, time, venue, and agenda of the general meeting of shareholders, along with all relevant information on matters to be decided at the meeting, accompanied by explanations and reasons. The information must be timely and adequately disclosed to shareholders before each general meeting of shareholders. The Bank has a policy of providing shareholders with the opportunity to review information before the meeting date through The Bank's website. The information provided the website is equivalent to the documents sent to shareholders.

6.8.1.4 The Board of Directors must ensure that the notice of the general meeting of shareholders, along with the relevant documents, are sent and published on The Bank's website at least 28 days before the scheduled meeting date. The Board of Directors must also prepare an invitation letter for the meeting in both Thai and English.

- 6.8.1.5 The Board of Directors encourages shareholders to use proxy forms, which allow them to express their voting preferences, including voting in favour, voting against, or abstaining. The Board of Directors has prepared proxy Form A, Form B, and Form C (custodian only proxy forms) for shareholders. This also facilitates shareholders who are unable to attend the meeting in person but still wish to exercise their voting rights through the proxy method. Independent directors will attend the meeting and vote on behalf of shareholders to facilitate them. Shareholders may choose any one independent director to be their proxy.
- 6.8.1.6 The Board of Directors must not do anything that violates or restricts the rights or deprives shareholders of their right to access The Bank's disclosed information as required by various regulations, and attending a general meeting. This includes not presenting documents with significant additional information abruptly, not adding or changing important information without prior notice to shareholders.
- 6.8.1.7 The Board of Directors will facilitate shareholders in exercising their various rights, such as by providing current and important information through The Bank's website.
- 6.8.2 The Bank's Board of Directors will ensure that the proceedings of the general meeting are conducted with professionalism, transparency, and efficiency, enabling shareholders to exercise their rights. This includes the followings.
- 6.8.2.1 The Board of Directors will facilitate shareholders to fully exercise their right to participate and vote at the general meeting and will refrain from any action that limits shareholders' opportunity to attend the meeting. If shareholders are unable to attend the meeting in person, The Bank allows them to appoint proxies, including independent directors or any other person, to attend the meeting on their behalf.
- 6.8.2.2 The Board of Directors will inform shareholders of the rules and procedures for attending the general meeting, both in the invitation letter and on the day of the meeting. The meeting facilitator will inform the shareholders of the voting rules and procedures at the meeting, and this notification will be documented in the minutes of each general meeting.
- 6.8.2.3 The Board of Directors will conduct the meeting appropriately and provide shareholders with an opportunity to raise relevant questions regarding the agenda and express their opinions. The Chairman of the Board of Directors or the designated person will respond to the questions raised during the meeting for each agenda item and ensure that inquiries about the agenda are recorded. Shareholders' opinions, as well as important remarks from the Board of Directors and/or executives, on significant matters will be included in the minutes of each general meeting.

- 6.8.2.4 The Board of Directors will conduct the meeting to follow the agenda items specified in the invitation letter, and the executives who are shareholders of The Bank will not propose any additional agenda items that are unnecessary for the meeting, particularly those requiring sufficient time for shareholders to study before making decisions.
- 6.8.2.5 The Board of Directors encourages the use of technology, such as barcodes and ballots or others, in general meetings, such as shareholder registration, vote counting, and display. This will ensure that the meeting is conducted efficiently, accurately, transparently, and verifiably. The voting results, including votes in favour, against, and abstentions on each agenda item, will be disclosed in the minutes of the general meeting.
- 6.8.2.6 The Board of Directors will appoint an independent individual to act as a witness during the vote counting process or to directly count or verify the votes at the meeting. This individual can be, for example, the The Bank's auditor or legal adviser. The results of the vote counting, or verification will be disclosed to the meeting and recorded in the minutes of the meeting.
- 6.8.2.7 The Board of Directors prioritises the annual general meeting and upholds the rights of shareholders. The Board of Directors encourages all Directors to attend the general meeting.
- 6.8.3 The Bank's Board of Directors will ensure the accuracy and completeness of the disclosure of resolutions adopted at the general meeting and the preparation of the meeting minutes. Shareholders' records will be maintained properly and thoroughly. This includes the followings.
 - 6.8.3.1 After each general meeting, the Board of Directors will ensure that the meeting's contents will be compiled. This includes the agenda details, the list of attending and absent Directors, the meeting resolutions, voting outcomes, as well as the questions and opinions raised by shareholders. These will be documented in the "minutes of the general meeting of shareholders," which will be published on The Bank's website and submitted to the SET and/or relevant authorities within 14 days from the meeting date, as required by the Office of the SEC and the SET. Furthermore, the resolutions and voting results for each agenda item will be disclosed to the public through the SET's system within the legally prescribed timeframe.
 - 6.8.3.2 The Board of Directors will ensure that shareholders have regular access to current news and information through The Bank's website.
- 6.9 Fostering innovation and responsible business practices
 - 6.9.1 The Bank's Board of Directors recognises the importance of fostering innovation that generates value for the business while delivering benefits to all relevant stakeholders and demonstrating responsibility towards society and the environment. This encompasses adding values to The Bank's operations based on ever changing environment, including shaping business models, adopting innovative perspectives in

product and service design and development, analysing and improving production processes, services, and operations, as well as collaborating with business partners.

- 6.9.2 The Bank's Board of Directors will oversee and ensure that the management operates business with social and environmental responsibility, which will be reflected in the organisation's action plan. This will guarantee that all departments within the organisation align their activities with the organisation's objectives, main goals, and strategic plans, while considering the roles of stakeholders. Moreover, the Board of Directors will establish mechanisms to ensure ethical business practices, social responsibility, and environmental stewardship, without infringing on the rights of stakeholders. These efforts aim to guide all sectors of the organisation towards sustainable achievement of its objectives and main goals, while providing stakeholders with sufficient, reliable, and timely disclosure of important and necessary information.
- 6.9.3 The Bank's Board of Directors will monitor and ensure that the management allocates and manages resources efficiently and effectively, while considering the impacts and development of resources throughout the value chain, in order to achieve sustainable objectives and main goals.
- 6.9.4 The Bank's Board of Directors will establish a framework for overseeing and managing information technology at the organisational level that aligns with its needs. It will also ensure the information technology is used effectively to enhance business opportunities and facilitate operational development and risk management, enabling it to achieve its objectives and primary goals.

7. Policy review and revision

The Bank will periodically review its business policies under the principle of good corporate governance, at least once a year. The change management department is responsible for proposing revised policies to the Corporate Governance and Sustainability Development Committee for approval, and subsequently presenting them to The Bank's Board of Directors for further approval.