

Krungsri's management structure consists of the Board of Directors and 4 committees reporting to the Board of Directors to assist in performing duties and to ensure supervision and control of business risks. Krungsri's operations are divided into 2 parts based on the responsibilities, namely business units and support units.

Roles and Responsibilities

The roles and responsibilities of the Board of Directors and the management are clearly separated to ensure that Krungsri's operations are carried out in compliance with law and consistent with the business code of conduct and Good Corporate Governance Principles.

Currently, the Chairman of the Board is not the same person as the President and Chief Executive Officer and their responsibilities are clearly separated.

The Chairman of the Board is not an independent director, but his performance of duties is independent from the management and the major shareholders, focusing mainly on the benefits of Krungsri and its shareholders.

Board of Directors

The Board of Directors consists of 12 directors, i.e. 5 non-executive directors, 4 independent directors, and 3 executive directors.

• Structure and Composition

In principle, the shareholders will appoint directors in an appropriate and sufficient number for performing duties. The Board of Directors shall consist of not less than 3 independent directors or at least one third of the all directors, whichever is higher. Not less than half of all directors shall have domiciles in Thailand.

• Qualifications

The Board of Directors comprises the members with directorship qualifications for financial institutions as required by law. In addition, they shall have expertise, extensive knowledge and experience as prescribed, and have comprehensive understanding on their roles and responsibilities as well as nature of business, and be able to devote their time for performance as directors, and be appointed under prescribed nomination process.

• Term of Office

The directors' term of office is clearly specified in the Articles of Association and in accordance with the Public Limited Company Act B.E. 2535 (1992) that an every annual general meeting of shareholders, one third of all directors who hold the longest term of office shall retire by rotation and may be re-elected. If the number of directors is not a multiple of 3, the number nearest to one third shall retire.

Furthermore, the internal procedure is stipulated that a director shall retire when reaching the age of 72 years. If a director reaches the age of 72 years while holding the directorship position, the director is allowed to hold the office until the end of the term of office. If a director has yet not reached the age of 72 years at the time of nominating for election, the director may be re-elected for another term.

Besides, for the case of Mr. Veraphan Teepsuwan who has reached 72 years old, the Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU"), the major shareholder of Krungsri has proposed to the Board of Directors and the Annual General Meeting of Shareholders No.102 and No.105 respectively to consider re-electing, Mr. Veraphan Teepsuwan as the director for a special case, and they have agreed as proposed.

• Roles and Responsibilities of the Chairman of the Board

1. Ensure proper structure of the Board of Directors, including oversee and monitor their performance is balanced in terms of corporate governance and achieving key objectives and goal of the organization.
2. Encourage all directors to ensure effective implementation of policies and decision making of the Board of Directors.
3. Summon Board of Directors meetings, consider and determine meeting agendas together with the President and Chief Executive Officer and other directors including independent directors.
4. Preside over the Board of Directors meetings, oversee the allocation time for the management to complete each agenda presentation and encourage all directors to ask questions, express opinions or recommendations in order to exercise due consideration before casting their votes freely.
5. Encourage the non-executive directors to have meetings without presence of executive directors.

6. Preside over the meetings of shareholders and conduct the meetings in compliance with the Bank's Articles of Association and follow a sequence of meeting agenda stipulated in the notification of the meeting, unless the meeting of shareholders resolves otherwise.
7. Encourage the directors to attend seminars and training courses relating to their duties and good corporate governance for knowledge development.
8. Promote and be a role model of compliance in accordance with Good Corporate Governance Principles as well as to ensure that the directors perform their duties in line with Good Corporate Governance Principles.
9. Promote activities of good corporate governance as well as environment and corporate social responsibility in order to encourage the awareness and compliance among the directors, executives and all employees.
10. Be a role model to promote good relationship between the executive and non-executive directors, and between the Board of Directors and the management.

• Roles and Responsibilities of the Board of Directors

The Board of Directors must be properly accountable for their duties and allocate sufficient time to discharge their duties effectively as well as have independence in making decisions under principles and guidelines of Business Judgment Rule. In addition, the Board of Directors must recognize and uphold the interest of the organization including its stakeholders as well as undertake the fiduciary duties of overseeing the management of the Group as follows:

1. Duty of Care, which requires a director to be diligent and prudent in managing the Group's affairs.
2. Duty of Loyalty, which dictates that a director must act in good faith and must not allow his/her personal interest to prevail over the interest of the Group.
3. Duty of Obedience, which requires a director to comply with the laws, the Bank's objectives and Articles of Association, the resolutions of the Board of Directors and shareholders' meetings and the Good Corporate Governance Principles.
4. Duty of Disclosure, which requires a director to reveal the information that is accurate, adequate, transparent and timely.



In addition, the Board of Directors must perform the following duties:

1. Have a thorough understanding of roles and responsibilities of the Board of Directors, act as a coordinator between the shareholders and the management, formulate policies relating to business operations and direction as well as ensure good corporate governance and compliance with the policies.
2. Define objectives, goals, strategies and operational policies and provide key resources for achieving them as well as follow up, evaluate and monitor the performance report.
3. Consider and set the overall business direction and strategic goals of the Group, ensure that oversight mechanism over the Group's policies and operations is in place, and promote comprehensive and correct understanding on the same.
4. Ensure the establishment and communication of the corporate governance policy to the directors, executives, and employees, with regular review.
5. Consider and approve the annual business plan and budget proposed by the management.
6. Consider and approve significant matters of the Group as stipulated by laws, the Bank's Articles of Association and direction.
7. Ensure effective internal control and internal audit systems which are in compliance with applicable laws and standards.
8. Ensure the establishment of the policy relating to prevention of use of insider information and the formation of the system for monitoring conflicts of interest and related party transactions as well as compliance with such policy.

9. Ensure the establishment of the policy and control mechanism relating to risk management with regular reviews, and support Risk Management Committee in performing efficient and professional duties with independence from business units.
 10. Ensure the establishment and communication of the policy and program relating to anti-fraud and anti-corruption.
 11. Ensure the establishment of supporting system for the Board of Directors' full performance of their roles and responsibilities including access of necessary information as well as effective and sufficient reporting of information by the management.
 12. Monitor the Group's financial liquidity and solvency and set a recovery plan in regards to financial difficulties.
 13. Promote the innovation that creates value to the business together with benefits to customers or other stakeholders, society and environment, and ensure that the management allocates and manages the resources efficiently and effectively.
 14. Ensure the establishment of a framework for the governance of enterprise information technology that is aligned with the Group's needs, stimulates business opportunities and performance, strengthens risk management, and supports the Group's objectives and key goals.
 15. Ensure clear and transparent policy and procedures for selection and nomination of the directors, and determination of director remuneration which requires a meeting of shareholders' approval, conduct performance evaluation, support training and knowledge development to enhance the directors' understanding on their roles and responsibilities, nature of business and related laws including shareholders structure and relationship, and regularly update and refresh the directors' skill and knowledge necessary to perform their duties.
 16. Ensure a proper mechanism for the nomination and remuneration of the President and Chief Executive Officer including senior executives, support training and development, conduct performance evaluation, establish succession plan and report on its implementation.
 17. Define clear roles and responsibilities of the President and Chief Executive Officer and the management and monitor their proper performance of duties.
 18. Establish appropriate and necessary committees reporting to the Board of Directors to support the Board of Directors' performance of duties and ensure the conduct of evaluation, report and disclosure of those committees' performance.
 19. Ensure effective human resources management and development programs in terms of manpower, knowledge, skill, experience and compensation.
 20. Appoint a corporate secretary who possesses appropriate and necessary knowledge and experience to support the Board of Directors in fully performing their duties in compliance with laws.
 21. Ensure that the Group's business operations reflect the Group-wide implementation of environmental and social responsibility standards.
 22. Ensure the defining, communication and fulfillment of the Group's responsibilities towards the stakeholders as well as adherence to the code of conduct, ethics of the directors, executives and employees including Banking Industry Code of Conduct.
 23. Ensure proper, adequate, clear and transparent procedures of preparation and disclosure of important information, both financial and non-financial, to government agencies, shareholders, investors and general public, within a reasonable period of time and in compliance with applicable regulations, standards and practices as well as reflecting material corporate practices that supports sustainable value creation.
 24. Ensure shareholders' opportunities to participate in decision making of significant corporate matters and proper, transparent and efficient shareholders' meetings which facilitates the shareholders to exercise their rights, as well as complete and accurate disclosure of the meeting resolutions and preparation of the minutes.
 25. Ensure the establishment of function or appointment of person responsible for investor relations for effective, fair and timely communication with shareholders and other stakeholders such as investors and analysts as well as promoting the effective information technology in disseminating information.
 26. Ensure the Group's creation of a mechanism for handling complaints and whistleblowing.
- The Board of Directors' approval authority, in brief, is the approval of significant matters of the Group, the matters as stipulated by law, regulations of the regulators as well as Krungsri's Articles of Association and direction including the important policies for the Group's operations, the annual operating plan and budget as well as following up the management to

ensure the efficient and effective implementation of those approved policies/plans. In addition, the Board of Directors shall approve the interim dividend payment, the related party transactions having specific transaction type and value, the appointment and change of the authorized signatory directors, the appointment and determination of the authority of the committees reporting to the Board of Directors, the appointment, transfer and/or change of positions of senior executives as well as the appointment of Krungsri's executives to serve as the directors of the companies in the Group.

• Roles and Responsibilities of Executives

Executives shall perform duties under the moral and ethical framework as follows:

1. Adhere to integrity, fairness, morality, responsibility and business ethics as well as perform duties and supervise the business with prudence and thoroughness or the best interest of the organization and stakeholders under principles and guidelines of Business Judgment Rule. In addition, executives must recognize and uphold the organization's interest with awareness on organizational matters and operations.
2. Play key roles on promoting good governance in order to enhance trust from shareholders, customers, supervision agencies and all stakeholders for the best interest of the organization, industrial sector and country.
3. Operate the business management in accordance with strategies, policies and plans approved by the Board of Directors.
4. Support the Board of Directors to formulate and review strategies, goals and operating plan; ensure the appropriateness and adequacy of Risk Management and internal control systems; define the management's authority to be in accordance with their responsibilities; set the policies relating to resource allocation, development and budgeting; monitor and evaluate the Group's operating performance and ensure the disclosure of important information, both financial and non-financial.
5. Fulfill the management's duties to ensure the appropriate and efficient implementation of the policies.
6. Strictly comply with policy and systems of risk management, realize any possible risks and protect the Group's interest as well as control any possible

damage to be at acceptable level under efficient risk management.

7. Avoid any possible conflict of interest and if there is a conflict of interest, such conflict of interest shall be handled fairly without delay. Executives' transaction towards the Group shall be executed in an appropriate manner or on an arms' length basis as a normal business of the Group made with its customers, without significant relationship, whereby the benefits of the organization must be mainly attentive.

• Roles and Responsibilities of the President and Chief Executive Officer

The President and Chief Executive Officer as the top executive of the Bank shall be responsible for performing duties as one of the directors and an executive, as well as the following duties as a leader of all executives:

1. Perform tasks assigned by the Board of Directors and committees reporting to the Board of Directors as well as any other acts as stipulated by laws or regulations of government agencies.
2. Monitor and control the Bank's operations to ensure compliance with policy, goals, strategies, operating plan and annual budget of the Bank and its subsidiaries as approved by the Board of Directors as well as compliance with applicable laws and regulations.
3. Report significant operating performance to the Board of Directors on regular basis.
4. Promote compliance with Good Corporate Governance Principles as well as highest standards of integrity, ethics and corporate social responsibility.
5. Structure and manage the organization under the Board of Directors' given guidelines as well as build and retain capable management team to effectively perform duties according to the Bank's strategies and objectives.
6. Represent the Bank in dealing with government agencies and other regulatory agencies with the authority to assign other person to act on his/her behalf.
7. Seek business opportunities which are consistent with the Bank's vision and strategic direction.

• Members of the Board of Directors

As of December 31, 2017, the Board of Directors consists of 12 directors as below:

Name - Surname	Position
Non-Executive Directors	
1. Mr. Veraphan Teepsuwan	Chairman
2. Mr. Takayoshi Futae	Vice-Chairman (Authorized Signatory) / Nomination and Remuneration Committee Member
3. Mr. Takeshi Ogasawara	Director / Risk and Compliance Committee Member
4. Mr. Hirotake Taguchi	Director
5. Miss Nopporn Tirawattanagool	Director (Authorized Signatory) / Nomination and Remuneration Committee Member / Risk and Compliance Committee Member
Independent Directors	
6. Mr. Karun Kittisataporn	Independent Director / Chairman of the Nomination and Remuneration Committee
7. Miss Potjane Thanavaranit	Independent Director / Chairman of the Audit Committee
8. Mr. Virat Phairatphiboon	Independent Director / Audit Committee Member / Nomination and Remuneration Committee Member
9. Mr. Phong-adul Kristnaraj	Independent Director / Audit Committee Member / Chairman of the Risk and Compliance Committee
Executive Directors	
10. Mr. Noriaki Goto	Director (Authorized Signatory) / Chairman of the Executive Committee
11. Mr. Pornsanong Tuchinda	Director (Authorized Signatory) / Executive Committee Member
12. Miss Duangdao Wongpanitkrit	Director (Authorized Signatory) / Executive Committee Member

Mrs. Thidarat Sethavaravichit serves as the Secretary to the Board of Directors.

Remark: The last updated profile of directors are shown under the topic "Details of Directors, Executives, Persons with Managerial Authority and Corporate Secretary".

The directors authorized to sign on behalf of Krungsri are that Mr. Takayoshi Futae and Mr. Noriaki Goto jointly sign and affix the Company's seal; or either Mr. Takayoshi Futae or Mr. Noriaki Goto co-sign with either Miss Nopporn Tirawattanagool or Mr. Pornsanong Tuchinda or Miss Daungdao Wongpanitkrit, a total of two directors, jointly sign and affix the Company's seal.



• Meetings of the Board of Directors

In 2017, there were a total of 12 meetings as scheduled in advance with details below:

Members of the Board of Directors	Number of Meetings Attended / Total Number of Meetings Held				
	Board of Directors	Nomination and Remuneration Committee	Audit Committee	Risk and Compliance Committee	Executive Committee
Non-Executive Directors					
1. Mr. Veraphan Teepsuwan	12/12				
2. Mr. Takayoshi Futae	12/12	13/15			
3. Mr. Takeshi Ogasawara	9/12			8/12	
4. Mr. Hirotake Taguchi	10/12				
5. Miss Nopporn Tirawattanagool	12/12	15/15		12/12	
Independent Directors					
6. Mr. Karun Kittisataporn	12/12	14/15			
7. Miss Potjanee Thanavarani	12/12		23/23		
8. Mr. Virat Phairatphiboon	12/12	15/15	23/23		
9. Mr. Phong-adul Kristnaraj	12/12		23/23	12/12	
Executive Directors					
10. Mr. Noriaki Goto	12/12				41/42
11. Mr. Pornsanong Tuchinda	11/12				36/42
12. Miss Duangdao Wongpanitkrit	12/12				40/42

Additionally in 2017, 2 meetings of non-executive directors were held: on May 24, 2017 and November 22, 2017.

Nomination and Remuneration Committee

• Structure and Composition

The Board of Directors appoints the Nomination and Remuneration Committee which consists of not less than 3 non-executive directors (currently, 2 independent directors and 2 non-executive directors). Chairman of the Nomination and Remuneration Committee shall be an independent director, and the Head of Human Resources Group shall act as the Secretary to the Committee by position.

• Qualifications

The Nomination and Remuneration Committee members shall have extensive knowledge, capability and experience, and thorough understanding of their roles and responsibilities.

• Term of Office

The Nomination and Remuneration Committee members shall have term of office concurrent with their directorship term of office. In case of vacancy in the committee due to any reason other than completion of term, the Board of Directors shall appoint a fully qualified person to fill up the vacancy. Such person shall hold office concurrent with his/her directorship term. Upon completion of a term, the member may be re-appointed to the Committee.

• Scope of Authority and Responsibility

1. Determine policies with clear and transparent principles for submission to the Board of Directors for consideration and approval and for submission to the Bank of Thailand upon request as follows:

- 1.1 The policies, rules and procedures of nomination of directors, members of sub-committee and senior executives of the Bank at the level of Executive Vice President and above.
- 1.2 The policies, rules and procedures of nomination as well as selection and/or screening of the names of the suitable candidates as the case may be for directors, managing director or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares. Such selection and/or screening are also applicable to internal candidates suitable for appointment to these positions.
- 1.3 The policies, rules and procedures for payment of remuneration and other benefits to directors, sub-committee members and senior executives of the Bank at the level of Executive Vice President and above including directors, managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares.
2. Select and/or screen candidates for appointment to the following positions for submission to the Board of Directors or the shareholders meeting for consideration and approval, as the case may be:
 - 2.1 Directors of the Bank
 - 2.2 Members of the various sub-committees reporting to the Board of Directors
 - 2.3 Senior executives at the level of Executive Vice President and above
 - 2.4 Directors and managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares
3. Determine remuneration and other benefits commensurate with roles and responsibilities towards the Bank and/or companies in its financial business group comparable to other commercial banks based on the Bank's regulations.
 - 3.1 Determine remuneration and other benefits for directors, members of the various sub-committees and senior executives of the Bank at the level of Executive Vice President and above for submission to the Board of Directors or the shareholders meeting for consideration and approval, as the case may be.
 - 3.2 Determine remuneration and other benefits for directors, managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares for submission to the Board of Directors for consideration and approval.
 - 3.3 Ensure that Bank directors, managing directors and directors of entities in which the Bank holds 50% or more of shares, and senior executives of the Bank at the level of Executive Vice President and above who are assigned additional roles and responsibilities shall receive additional remuneration commensurate with the additional assignments.
4. Ensure that the size and composition of the Board of Directors are suitable for the organization and modify them as appropriate in consideration of the changes in the environment. The Board of Directors shall, as a rule, be endowed with members who are knowledgeable, competent and experienced in a variety of fields.
5. Ensure that the evaluation of the performance is undertaken uniformly across all companies in Krungsri Group taking into account the increase in the valuation of shareholders' equity in the long-term based on duties, responsibilities and risks involved.
 - 5.1 Consider performance evaluation guidelines and endorse performance evaluation forms prepared by the Bank for use in evaluating performance of duties of the entire Board of Directors.
 - 5.2 Endorse performance evaluation guidelines, goals & objectives and performance targets of senior executives of the Bank at the level of Executive Vice President and above as well as directors, managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares in order to consider the annual remuneration.
 - 5.3 Consider and provide opinions regarding the performance of the highest executive position of the Bank or a person holding equivalent position regardless of title in order to consider the annual remuneration prior to submission of the matter to the Board of Directors for consideration and approval.
 - 5.4 Consider and endorse the performance of senior executives of the Bank at the level of Executive Vice President and above as well as directors, managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares in order to consider the annual remuneration prior to submission of the matter to the Board of Directors for consideration and approval.

6. Develop a succession plan for the highest executive position of the Bank or a person holding an equivalent position regardless of title for submission to the Board of Directors for consideration and approval, Also, to consider and approve a succession plan for the various functional group heads.
7. Consider appropriateness of the Bank's organization chart restructuring at Division level and above.
8. Perform other tasks assigned by the Board of Directors and/or the Chairman of the Board of Directors.
9. Disclose relevant policies and present a summary of the operations of the Nomination and Remuneration Committee in the Bank's Annual Report.
10. The Committee may seek advice from external consultant experts (independent) such as for salary surveys, selection of directors and senior executives, etc., as needed, with the Bank being responsible for the expenses incurred.



• Names of Members and Meetings of the Nomination and Remuneration Committee

In 2017, there were a total of 15 meetings as scheduled in advance with details below:

Members of the Nomination and Remuneration Committee	Position	Number of Meetings Attended / Total Number of Meetings Held
1. Mr. Karun Kittisataporn	Chairman	14/15
2. Mr. Virat Phairatphiboon	Member	15/15
3. Miss Nopporn Tirawattanagool	Member	15/15
4. Mr. Takayoshi Futae	Member	13/15

Secretary to the Nomination and Remuneration Committee is Mr. Wittapon Jawjit

Audit Committee

• Structure and Composition

The Board of Directors appoints the Audit Committee which consists of no less than 3 independent directors.

• Qualifications

The Audit Committee members shall have the qualifications as per regulations stipulated by the Capital Market Supervisory Board, and not being a director who has been assigned by the Board of Directors to make decisions regarding business operations of the Bank, subsidiary company,

associated company, same-level subsidiary company, major shareholders or control person of the Bank, and not being a director of listed companies which are subsidiary company or same-level subsidiary company.

The Audit Committee members shall possess knowledge, experience as well as a thorough understanding of their duties and responsibilities as well as the nature of business operations and risk management of the Bank and the companies in the financial business group ("the group companies"). Besides, at least 1 Audit Committee member shall possess knowledge and experience at a level sufficient to review the reliability of financial statements.

• Term of Office

The Audit Committee members shall have term of office concurrent with their directorship term of office. In case of vacancy in the committee due to any reason other than completion of term, the Board of Directors shall appoint a fully qualified person to fill up the vacancy. Such person shall hold office concurrent with his/her directorship term. Upon completion of a term, the member may be re-appointed to the Committee.

• Scope of Authority and Responsibility

- Financial Reports and External Auditor

1. Review and cooperate with the senior management, internal audit team, and external auditor in overseeing internal control over financial reporting ("ICFR") to ensure that internal controls and financial reporting preparation process was designed effectively, and the Bank's financial reports and any disclosed documents relating to the financial performance of the Bank and its group companies is accurate, adequate, reliable and reflect the true and fair view of the financial status of the Bank and its group companies while complying with accounting standards and practices.
2. Consider, select, propose the independent persons to the Board of Directors, candidates for appointment or termination of the external auditor, including their remunerations prior to submit to the Bank of Thailand for endorsement before proposing them to the shareholders' meeting of the Bank. Hold at least one meeting a year with the external auditor without the presence of management.
3. Review the process in relation to non-audit services from the auditor firm of the external auditor and give consent to the engagement of such service and related fees to ensure that it will not impair the independence of the external auditor.

- Internal Control, Risk Management System, Compliance System, and Internal Audit

4. Review internal control, risk management system and compliance system of the Bank and its group companies, to ensure that they are suitable,

adequate and efficient. Internal audit practice complies with internal audit standards and ensure internal audit unit's independence, as well as approve the appointment, transfer, dismissal, remuneration and annual merit review of the Head of Audit Group of the Bank.

5. Consider internal control, risk management, and compliance with relevant laws and regulations by considering minutes of meetings of Risk and Compliance Committee, Risk Management Committee, and Compliance Committee.
 6. Consider and approve Internal Audit's plan as well as consider the Internal Audit Charter, Internal Audit Policy, and Policy for reviewing of credits, credit-like transactions and contingent liabilities, and give consent to the amendment onto annual Credit Review Plan after being approved by the Bank's Board of Directors.
 7. Ensure that relevant appropriate and sufficient actions are in place for the review of procedure in relation to the Self-Evaluation Tool for Countering Bribery of the Bank under the anti-corruption policy. In addition, review the report on Self-Evaluation Tool prepared by internal audit for Countering Bribery of the Bank and certain group companies which have not established the Audit Committees, to ensure correctness and completeness before submission to the Bank's Board of Directors and/or concerned board of directors of the group companies.
 8. Review and cooperate with the senior management and internal audit team in reviewing and examining irregular, errant or suspicious matters to establish corrective methods and finalize solutions to rectify such matters.
- ### - Related Parties Transactions or Transactions that May Create Conflict of Interest
9. Consider the accuracy and completeness on the matters relating to connected transactions or transactions with possible conflict of interest, to ensure compliance with the relevant regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission, the Bank of Thailand or other relevant laws and regulations including reasonableness and highest benefit to the Bank as well as the disclosure of such information as necessary.

- Good Governance

10. Arrange for a procedure on receiving traces from the employee regarding the unqualified of financial statement report or other matters while ensuring to such employee the independence of investigation and monitoring appropriate actions to resolve such matter. Receive and consider complaint or other information from interested party and acknowledging the result of complaint resolution from the responsible department through internal audit team.

- Compliance with Regulatory Requirements

11. Oversee and monitor the operations, business undertaking or actions taken by the Bank to ensure compliance with Securities and Exchange Act, the Stock Exchange of Thailand regulations or laws, announcements and regulations pertaining to commercial banking business including internal policies and procedures.

- Others

12. Ensure that preliminary investigation is carried out after receiving the external auditor's report on behavior suspicious of fraud or violation of laws by the Bank's board members and management. The Audit Committee shall report the results of such investigation to the Securities and Exchange Commission and the external auditor under Section 89/25 of the Securities and Exchange Act within 30 days from the date they are notified by the external auditor. The further detail investigations shall be carried out as appropriate and report the result to the Bank's Board of Directors to rectify within appropriate timeline.
13. Consider inviting the management of internal control, risk management and compliance function for meeting as necessary to assure the appropriateness of internal control, risk management and compliance with relevant laws and regulations.
14. Prepare the Audit Committee's report and disclose the same in the Bank's Annual Report, comprising of at least the following information:
 - (1) Opinion on the accuracy, completeness and creditability of the Bank's financial report;
 - (2) Opinion on the adequacy of the internal control system;

- (3) Opinion on the compliance with the laws on securities and exchange, the Stock Exchange of Thailand's regulations, or laws pertaining to commercial banking business;
- (4) Opinion on the suitability of an external auditor;
- (5) Opinion on the transactions that may lead to conflict of interest;
- (6) The number of the Audit Committee meetings and the attendance of such meetings by each committee member;
- (7) Opinion or overall observation of the Audit Committee from its performance of duties in accordance with its charter; and
- (8) Other matters which, according to the Audit Committee's opinion, should be revealed to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Bank's Board of Directors.
15. Where there is a material change in the composition or in the duties of the Audit Committee, review the duties of Audit Committee's and term of office and present the same to the Board of Directors to consider amendments as deem appropriate.
16. Ensure clear written announcement of the Audit Committee's scope of duties and any material change which may affect the Audit Committee's performance and disclose the same to the shareholders in the Bank's Annual Report.
17. Submit timely reports to the Board of Directors for remedial action upon the Audit Committee finding or suspects any misconduct in the following areas:
 - Any transaction with conflict of interest.
 - Any fraud or irregularity or material defect in the internal control system.
 - Any breach of the Bank's rules and regulations, the Articles of Association as well as laws governing the banking business.

If the Board of Directors or the senior management does not take remedial action within the timeline determined by the Audit Committee, the Audit Committee shall disclose such failure in the Annual Report and report to the Securities and Exchange Commission and the Bank of Thailand.
18. Obtain outside counsel or other professional advice as the committee deems appropriate.
19. Conduct annual performance assessment of the Audit Committee and report the assessment result to the Bank's Board of Directors.
20. Perform any other tasks as assigned by the Bank's Board of Directors as consented by the Audit Committee.

• Names of Members and Meetings of the Audit Committee

In 2017, there were a total of 23 meetings, i.e. 12 ordinary meetings and 11 special meetings, 2 out of 23 meetings were made with the external auditors without the presence of the management. Detailed are shown below:

Members of the Audit Committee	Position	Number of Meetings Attended / Total Number of Meetings Held
1. Miss Potjaneer Thanavarant	Chairman	23/23
2. Mr. Virat Phairatphiboon	Member	23/23
3. Mr. Phong-adul Kristnaraj	Member	23/23

Secretary to the Audit Committee is Miss Puntipa Hannoraseth

Remark: All the three members are competent and experienced in the review of Krungsri's financial statements.

Risk and Compliance Committee

• Structure and Composition

The Board of Directors appoints the Risk and Compliance Committee which consists of no less than a total of 3 non-executive directors. Chairman of the Risk and Compliance Committee shall be an independent director.

• Qualifications

The Risk and Compliance Committee members shall possess knowledge, experience as well as a thorough understanding of their duties and responsibilities, including good judgments to ensure benefits to the Bank and/or companies in the financial business group.

• Term of Office

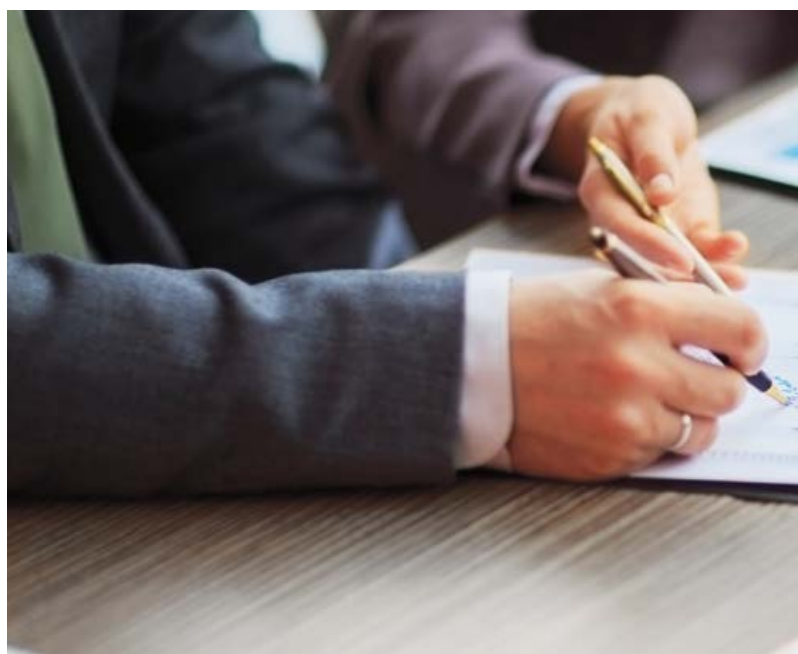
The Risk and Compliance Committee members shall have term of office concurrent with their directorship term of office. In case of vacancy in the committee due to any reason other than completion of term, the Board of Directors shall appoint a fully qualified person to fill up the vacancy. Such person shall hold office concurrent with his/her directorship term. Upon completion of a term, the member may be re-appointed to the Committee.

• Scope of Authority and Responsibilities

1. Review, assess and propose to the Board of Directors, in timely manner, annual compliance report and a policy/policies for overall risk management which shall include major risks but

not limited to credit risk, market risk, liquidity risk, operational risk, legal risk, information technology risk including cyber risk, reputational risk and compliance risks.

2. Determine and review compliance policies including seek approval on principles and practices for effective compliance measures, set Risk Management Group and Compliance Division's duties and scope of work commensurate to the complexity of commercial banking business and in accordance with this Charter.
3. Formulate and monitor implementation of strategies for integrated risk management and compliance policy to ensure coverage, effectiveness and appropriate level of the Bank's risk appetite.
4. Continuously review the adequacy of the overall risk management and compliance policy and system, the effectiveness of system and policy implementation in order to improve the level of awareness, control level and effectiveness of the same.



5. Review and regularly report to the Board of Directors on improvements needed to ensure effectiveness of the risk and compliance policy and measures and inform the Audit Committee on non-compliance issue for acknowledgement.
6. Review and monitor all pending/overdue issues from the Bank of Thailand, National Credit Bureau Co., Ltd., the Securities and Exchange Commission, Anti-Money Laundering Office, etc. and compliance related issues to ensure that they are rectified per the specified timeline.
7. Evaluate the performance of Head of Compliance to ensure independency and prevent possible conflict of interest.
8. Provide recommendations on best practices, development and improvement plans and information communicated to the public regarding Good Corporate Governance.
9. Determine/review recommendations on Code of Business Conduct and The Spirit & The Letter including business ethics and good practices of the Bank's senior management and employees, ensure publication and communication to all staff for acknowledgement and use as guidelines.
10. Conduct an annual performance assessment of the Risk and Compliance Committee and report the assessment result to the Board of Directors.
11. Perform any other tasks as assigned by the Board of Directors as agreed by Risk and Compliance Committee.

• Names of Members and Meetings of the Risk and Compliance Committee

In 2017, there were a total of 12 meetings as scheduled in advance with details below:

Members of the Risk and Compliance Committee	Position	Number of Meetings Attended /Total Number of Meetings Held
1. Mr. Phong-adul Kristnaraj	Chairman	12/12
2. Miss Nopporn Tirawattanagool	Member	12/12
3. Mr. Takeshi Ogasawara	Member	8/12

Secretary to the Risk and Compliance Committee is Mr. Saengchart Wanichwatphibun

Executive Committee

• Structure and Composition

The Board of Directors appoints the Executive Committee consisting of no less than 11 members namely President and Chief Executive Officer as

the Chairman of the Executive Committee, Head of Commercial Banking, Head of Retail and Consumer Banking, Head of JPC/MNC Banking, General Counsel, Chief Financial Officer, Chief Information and Operations Officer, Chief Risk Officer, Head of Corporate Strategy and Planning Group, Head of Global Markets Group, Head of Human Resources Group and other suitable executives.

• Qualifications

The Executive Committee members shall have extensive knowledge, capability, experience, and through understanding of their duties and responsibilities, with good judgment in acting for the benefit of the business.



• Term of Office

The term of office is two years or as per the directives of the appointment of the Executive Committee. In case of additional Executive Committee members, additional Executive Committee members have a term of office as per the directive of their appointments. In case of vacancy in the committee due to any reasons other than completion of term, the vacant seat shall be replaced by the new incumbent of such position for the remaining period. The member may be re-appointed to the Committee.

• Scope of Authority and Responsibility

1. Be in charge of the Bank's operations to ensure compliance with all relevant laws and the Bank's regulations.
2. Be in charge of the Bank's business management to achieve the set goals, policies, strategies and business plans.
3. Assist the Board of Directors in setting optimal policies and plans by providing full and accurate information.
4. Screen strategic plans, annual business plan, capital expenditure budgets, operational objectives and other project plans, including income/non-interest expenditure controls before submitting to the Board of Directors.
5. Assign the management committees and sub-committees to consider matters which occur from the Bank's ordinary operations.
6. Prepare reports as assigned by the Board of Directors.
7. Review policy and business plans prepared by the President and Chief Executive Officer, which have been reviewed by the Financial Management Committee and propose the business plans which have been review to the Board of Directors for approval.
8. Consider policy and business plans endorsed by the Board of Directors on a quarterly basis and present views relating to the policy and business plans to the Board of Directors.
9. Consider, approve and monitor the following operations:
 - 9.1 High cost investment.
 - 9.2 Launching of new product or cessation of providing service or adjustment of prices which have been approved.

- 9.3 Go into business by capital investment, share investment, business partnership or contracts or agreements.
- 9.4 Provision of credits or guarantee apart from the Bank's ordinary operations.
- 9.5 Any actions resulting in property rights or right over the Bank's assets.
- 9.6 Liability payment or liability payment before due date.
- 9.7 Changes of remuneration or employee benefit policy.
- 9.8 Changes of strategies relating to the provision of credit and acceptance of deposits.
- 9.9 Credit limits opening and closing.
- 9.10 Enter into agreements or the setting of policy relating to agreements with the departments monitoring the Bank's business operations in cases other than those which the Bank's high-level executives have been empowered to do.
- 9.11 Credit requests and also relevant operations relating to credit within its scope of authorizations delegated from the Board of Directors in accordance with the credit policy and based on acceptable risk in accordance with the risk policy of the Bank.
10. Monitor operations of the Bank's departments to ensure compliance with plans and goals in an efficient and effective manner.
11. Review, monitor, provide suggestions and directions to ensure that the management system and operational process of various departments are modern, up-to-date and correspond to the fast changing economic situation.
12. Have the authority to examine the Bank's documents and data and summon relevant employees for questioning so that the Committee may fulfill its objectives.
13. Have the authority to appoint and set the roles and responsibilities of sub-committees and/or individuals as deemed appropriate to assist the management of the Bank.
14. Undertake assignments from the Board of Directors.
15. Report the Bank's operations and various activities that have major implications to the Board of Directors.
16. Operate matters relating to the Bank's overall businesses or operations.
17. Monitor operations of the committees and sub-committees reporting to the Executive Committee.
18. Approve quarterly (reviewed) financial statements after review by the Audit Committee.

• Names of Members and Meetings of the Executive Committee

In 2017, there were a total of 42 meetings as scheduled in advance with details below:

Members of the Executive Committee	Position	Number of Meetings Attended / Total Number of Meetings Held
1. Mr. Noriaki Goto	Chairman	41/42
2. Mr. Pornsanong Tuchinda	Member	36/42
3. Mr. Sudargo (Dan) Harsono	Member	38/42
4. Mr. Masaaki Suzuki	Member	20/42
5. Miss Phawana Niemloy	Member	35/42
6. Miss Duangdao Wongpanitkrit	Member	40/42
7. Mrs. Voranuch Dejakaisaya ^{1/}	Member	36/42
8. Mr. Chandrashekar Subramanian Krishoolndmangalam	Member	40/42
9. Mr. Rohit Khanna	Member	35/42
10. Mr. Tak Bunnag	Member	39/42
11. Mr. Wittapon Jawjit ^{2/}	Member	34/39

Secretary to the Executive Committee is Mrs. Thidarat Sethavaravichit

Remark: ^{1/} Appointed as the Executive Committee member ex officio, effective on January 1, 2017.

^{2/} Appointed as the Executive Committee member ex officio, effective on February 1, 2017.

Nomination and Appointment of Directors and Senior Executives

Nomination of Directors

Krungsri, by the Nomination and Remuneration Committee (NRC), has established qualifications of the directors which is suitable and in accordance with Krungsri's strategic necessity. The qualifications and criteria for the nomination of the directors as follows:

• Qualifications of the Directors

1. A director shall have the following characteristics:
 - (1) Demonstrate integrity and accountability.
 - (2) Make decisions based on information (informed judgement).
 - (3) Be mature and stable, a good listener and willing to provide different and independent opinions.
 - (4) Work in accordance with principles.
 - (5) Spend sufficient time dedicating oneself to performing duties as a director.
 - (6) Attentively perform duties within his/her scope of responsibilities.

2. A director shall have the knowledge and expertise as well as experience which are beneficial to business operations such as determination of visions and strategies, knowledge about banking industry, international trade, risk management, accounting and finance, organization and human resources management, and crisis management.

In addition to the aforementioned characteristics, knowledge and expertise, a director shall possess qualifications in compliance with the requirements of government authorities, i.e. the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand.

• Method for the Nomination of Directors

1. Nomination
There are several methods stipulated by Krungsri for the nomination of appropriate persons to serve as a director such as (1) Nominated by a director, (2) Nominated by the NRC, (3) Nominated by an outsource firm hired by Krungsri, (4) Nominated by a minority shareholder.

2. Consideration process

The Secretary to the NRC proposes the names of the candidates to the NRC for further selection/screening by taking into consideration of all required characteristics and qualifications before passing to the Board of Directors for consideration and appointment or for further proposing to the shareholders' meeting for election, as the case may be.

• Voting on Election/Appointment of Directors:

There are two voting approaches as follows:

1. Election of the directors by a general meeting of shareholders' resolution such as election of new director to replace a director whose term of office expires and/or election of additional director (new director) will be in accordance with the procedures stipulated in the Bank's Articles of Association as follows:
 - (1) Each shareholder shall have one vote for one share.
 - (2) Candidates for directors are elected on an individual basis, and the shareholders must cast all their votes and may not divide their votes among more than one of the candidates.
 - (3) The election of candidates is decided by a majority vote, and in the event of a tie votes, the Chairman of the meeting shall have the casting vote.
2. As to the appointment of a replacement directors by the Board of Directors for reasons other than retirement by rotation which requires votes not less than three-quarters of the remaining directors, such replacement director shall serve only the remaining term of the director whom he/she replaces.

Every year Krungsri entitles the shareholders to nominate persons to be elected as the directors three months before Krungsri delivers the notification of annual general meeting of shareholders. In this respect, an announcement for exercising their rights is disseminated to the shareholders via the SET's system and the nomination criteria are disclosed on Krungsri's website.

• Qualifications for Independent Directors

Krungsri has established the following qualifications for independent directors which conform to the notification of Capital Market Supervisory Board, with

a more stringent provision on shareholding in order to bolster investor confidence and maintain the balance of sound management as detailed below:

1. Holding not more than 0.5 percent of the total voting shares of the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank. Any shares held by related persons* must also be counted.
2. Within two years prior to the appointment, not being or having never been an executive director, contract staff, employee, salaried advisor or control person of the Bank, parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or control person of the Bank.
3. Having no family blood or legitimate registration relationship as father, mother, spouse, brother, sister, child and child's spouse with other director(s), any executive, major shareholder, control person or person nominated as a director, executive or control person of the Bank, subsidiary company or associated company.
4. Within two years prior to the appointment, not having or having never had business relationship with the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank in the manner that may obstruct the independent discretion. Also, not being or having never been a principal shareholder or control person of those having business relationship with the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank.
5. Within two years prior to the appointment, not being or having never been the auditor of the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank including principal shareholder, control person or partnership of an audit firm which employed the auditor of the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank.
6. Within two years prior to the appointment, not being or never been the professional service provider including legal advisor or financial advisor obtaining more than THB 2.0 million annual service fee from the Bank, parent company, subsidiary

company, associated company, major shareholder or control person of the Bank, including a principal shareholder, control person or partnership of such professional firm.

7. Not being the director who was appointed as the representative of the Bank's directors, major shareholder or other shareholder related to the major shareholder of the Bank.
8. Not operating any business which has the same nature as and is in competition with the business of the Bank, subsidiary company or associated company, or being principal partnership or executive director, contract staff, employee, salaried advisor, or holding more than 0.5 percent of the total voting shares of other company/partnership which operates the same business and is in competition of the business of the Bank, subsidiary company or associated company.
9. Not having any other characteristics which may cause incapability to provide independent opinions relating to the business operation of the Group.

However, consideration of the above relationship period must be in accordance with notifications of the Capital Market Supervisory Board.

Independent directors who have qualifications under items 1-9 may be assigned by the Board of Directors to make collective decision relating to business operations of Krungsri, parent company, subsidiary company, same-level subsidiary company, or any juristic persons which may have a conflict of interest with Krungsri. In this regard, it shall not be deemed that such independent directors participate in the management.

Remark:* "Related person" as defined by the Capital Market Supervisory Board means a person or a partnership having relationship with a person in any of the following manners:

- (a) a spouse of such person;
- (b) a minor child of such person;
- (c) an ordinary partnership in which such person or the person under (a) or (b) is a partner;
- (d) a limited partnership in which such person or the person under (a) or (b) is a partner with unlimited liabilities or a partner with limited liabilities holding shares in an aggregate number of more than thirty percent of the total number of shares of such limited partnership;
- (e) a limited company or a public limited company in which such person or the person under (a) or (b) or the partnership under (c) or (d) holds shares in an aggregate number of more than thirty percent of the total paid-up shares of such company;
- (f) a limited company or a public limited company in which such person or the person under (a) or (b) or the partnership under (c) or (d) or a company under (e) holds shares in an aggregate number of more than thirty percent of the total paid-up shares of such company;
- (g) a juristic person in which such person has managing authority as a representative of the juristic person.

Nomination of Senior Executives

Krungsri, by the NRC, has established the criteria for the nomination/promotion/appointment of executives at the level of Executive Vice President and above as follows:

- **Qualifications of Executives**
 1. Characteristics
 - (1) Demonstrate integrity and accountability.
 - (2) Make decisions based on informed judgement.
 - (3) Be mature and stable, a good listener and willing to provide different and independent opinions.
 - (4) Work in accordance with principles.
 2. Have knowledge and expertise as well as experience relating to the banking industry.
 3. Possess qualifications in compliance with the requirements of government authorities, i.e. the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand.
- **Method for the Nomination/Promotion/Appointment of Executives at the Level of Executive Vice President and above**

Human Resources Group considers the succession plan and selects appropriate executives as candidates for vacancies. In cases where there are no appropriate internal candidates, the Human Resources Group will consider external candidates who possess appropriate qualifications and propose their names to the NRC for consideration and endorsement. The names of the persons who have been endorsed by the NRC will be further proposed to the Board of Directors for consideration and approval.