



BOARD CHARTER

DULY APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS OF CIMB THAI BANK PUBLIC COMPANY LIMITED AT THE BOARD OF DIRECTOR'S MEETING HELD ON 14 DECEMBER 2023

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1. INTRODUCTION

- 1.1. This Board Charter aims to guide CIMB Thai's Board in its stewardship role and sets out among others, the governance structure and roles and responsibilities (both individually and collectively) of the Board of CIMB Thai, its committees and management in setting the direction, management, and control of the organisation.
- 1.2. Unless otherwise stated the following applies:
- the “Bank” or “CIMB Thai” refers to “CIMB Thai Bank Public Company Limited”;
 - the “CIMB Thai Group” refers to CIMB Thai Financial Business Group which includes CIMB Thai and its subsidiaries; and
 - the “Board” refers to the Board of Directors of the Bank unless specifically stated to be the Board of a specific entity.
- 1.3. This Board Charter is prepared mainly based on the following statutory/regulatory requirements:
- (a) Public Limited Companies Act B.E. 2535 (1992) and its amendments (“PLC Act”);
 - (b) Financial Institutions Businesses Act B.E. 2551 (2008) and its amendments (“FI Act”);
 - (c) Securities and Exchange Act B.E. 2535 (1992) and its amendments (“SEC Act”);
 - (d) Articles of Association of the Bank (“AOA”);
 - (e) Corporate Governance Code for Listed Companies 2017 issued by the Office of the Securities and Exchange Commission (“Office of the SEC”) (“SEC CG Code”);
 - (f) Corporate Governance Policy of CIMB Thai (“CIMB Thai CG Policy”);

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- (g) Notification of Capital Market Supervisory Board TorJor 39/2559 re Application for Approval and Granting of Approval for Offering of Newly Issued Shares ("TorJor 39");
- (h) Notification of the Bank of Thailand ("BOT") No. SorNorSor 3/2564 re Regulation on the Approval of Appointment of Directors, Managers, Persons with Power of Management or Advisors of Financial Institutions, Parent Companies, and Subsidiaries Undertaking Financial Business ("BOT SorNorSor 3/2564");
- (i) Notification of the BOT No. SorNorSor 1/2566 re Corporate Governance of Financial Institutions and Financial Business Groups ("BOT SorNorSor 1/2566");
- (j) Notification of the BOT No. SorNorSor 2/2566 re Roles and Responsibilities and Composition of the Board of Directors of Financial Institutions and Companies in the Financial Business Groups ("BOT SorNorSor 2/2566");
- (k) Notification of the BOT No. SorNorSor 3/2566 re Roles and Responsibilities and Composition of Sub-Committees and Senior Management of Financial Institutions and Companies of the Financial Business Groups ("BOT SorNorSor 3/2566");
- (l) Notification of the BOT No. SorNorSor 4/2566 re Mechanism for Supervision of Financial Institutions and Financial Business Groups ("BOT SorNorSor 4/2566");
- (m) Guideline for the Chairman of the Thai Institute of Directors ("IOD") ("IOD Guideline for the Chairman");
- (n) Best Practice Guidelines for Audit Committee;
- (o) Occupational, Safety, Health and Environment Act B.E. 2554 (2011); and
- (p) Other relevant laws and rules, including but not limited to those already issued and those to be issued in the future.

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2. THE BOARD'S ROLES AND RESPONSIBILITIES

2.1. The Board has the power and duties to manage the Bank in accordance with its Objectives and AOA as well as resolutions of meetings of shareholders.



PLC Act, Section 77

2.2. Roles and responsibilities of the Board shall include but not limited to the following:

(a) *Performing assigned duties with full effort and making decisions independently*



BOT SorNorSor 2/2566,
Clause 4.3.1

- (1) Perform their duties responsibly, cautiously and reasonably (duty of care) with loyalty (duty of loyalty) by not seeking self-benefits and without any bias in the form of cherry picking or favoritism, while fostering the overall organization's benefits; make a decision or vote based on sufficient basic information (informed decision) and with sensible decision (rational decision); and oversee to ensure that there is no intervention in any decision-making that would increase risk exposures of the Bank.
- (2) Fully contribute time and expertise to the assigned duties and responsibilities with the agility to work proactively, while improving knowledge and capabilities to keep up with changes and new risks, evaluating situation by considering risks and possible impacts to be prepared.
- (3) Comply with laws and supervisory guidelines, resolutions of the shareholders' and Board's meetings, the AOA of the Bank, and directions of regulators, as well as oversee the disclosure regarding corporate governance information in a correct, complete, transparent and timely manner (duty of disclosure).
- (4) Oversee that the annual performance assessments of the Board and each individual Director are conducted and the results thereof are taken into account for self-improvements.

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(b) Formulation of important strategies and policies

- (1) Formulate overall business directions and strategic goals, including short- and long-term business and strategic plans which must have clear and measurable targets, and provide enough detail for operational practices. The strategic plans must be appropriately adjusted to keep up with changes. Also, the principles of sustainable banking, which focus on environmental, social and governance factors, must be taken into consideration.
- (2) Formulate, suggest, and approve policies and transactions that are important to business, and manage risks that impact financial positions, performances, and reputations of the Bank, as well as approve risk governance framework and risk appetite that are clear and in line with strategic plans, business plans, and risk management capabilities of the Bank.
- (3) Be responsible for promoting fair and effective market conduct, according to the BOT Notification Re: Guidelines on Market Conduct.
- (4) Review the approved strategic plans, business plans, important policies, risk governance frameworks, and risk appetites as frequent as deemed appropriate or when there is a significant change. The review may be delegated to an oversight level committee when there is no significant change; however, it must later be reported back to the Board to keep them informed.
- (5) Review the delegation of approval authority and relevant documentations to align with the changing business environment, condition and size.



BOT SorNorSor 2/2566,
Clause 4.3.2



SEC's Best Practices for
Board of Directors to
Prevent and Suppress
Unappropriated Acts of
Listed Companies,
Clause 2.2.2

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(c) *Establishing organizational structure that enables checks and balances and independency*



BOT SorNorSor 2/2566,
Clause 4.3.3

- (1) Establish organizational structure that enable check and balances, monitor the implementation, and oversee that there is the appropriate balance of power between the Board members by placing importance on the number of Independent Directors and ensure that the Board members can effectively perform their roles. In addition, the Board may establish certain specified Board Committees as deemed appropriate and necessary.
- (2) Give precedence to those functions considered as second line of defense and third line of defense, ensure that they can operate independently with appropriate resources and staff members, and also make use of significant comments or reports from those functions.
- (3) Oversee that there is effective internal control that covers all operations of the Bank and can promptly detect any possible loopholes to ensure that the operations comply with the specified policies and processes, laws and supervisory guidelines, the instructions of regulators, internal guidelines, and procedures. In addition, there must be a regular review and assessment to ensure that the internal control system is effective and suitable for the Bank.
- (4) Oversee that a succession plan, and an appointment of candidates to take positions of directors, members of the committees, persons with power of management and advisors of the Bank, are appropriate so that the Bank can operate on an ongoing basis.

(d) *Monitoring risks and significant matters that impact financial position and reputation of the Bank*



BOT SorNorSor 2/2566,
Clause 4.3.4

- (1) Ensure that there is a process to pass on risk appetite to the appropriate committees or senior management to set up risk limit that is consistent with the risk appetite.

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- (2) Monitor significant risks that may affect financial positions, performances, and reputations of the Bank, in both normal condition and crisis, as well as risks that may happen in the future, and ensure that there are risk management and reporting mechanism to inform the Board to make timely preventive and corrective actions.
- (3) Oversee that the senior management's implementation is in line with specified strategic plans, business plans, policies approved by the Board, and its risk governance framework. In case of any nonconformity, the senior management must report causes and operational guidelines to the Board to resolve the issue or adjust the plan as deemed appropriate. In addition, the Board must also assess the performance of the top management of the Bank.
- (4) Oversee that the senior management reports important issues of the Bank to the Board, while there must be a proper reporting process so that the Board can promptly receive sufficient information, perform its duties and exercise its power.
- (5) Oversee that the Bank prepares the complete minutes of the Board's meeting, where the comments on important agenda/issues of each individual Director must be recorded. A copy of the minutes of the Board's meeting, minutes of the management committee's meeting, or minutes of the Directors' meeting for formulating policies or for making a decision on management issues shall be submitted to the BOT within seven (7) days from the day the Board endorses the minutes, but no later than forty-five (45) days from the day the meeting is convened.

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(e) Driving risk culture



BOT SorNorSor 2/2566,
Clause 4.3.5

- (1) Set up clear expectations for the risk culture of the Bank, by considering the balance between expected returns and potential risks.
- (2) Promote and oversee the management's implementation of risk culture throughout the Bank, including leading by example through behaviours, actions, words and communications, to promote risk culture of the Bank.
- (3) Continuously monitor and assess if risk culture works as planned and if there is any point that should be cautious of or could be improved.
- (4) Oversee that there is an appropriate and timely correction process, as well as oversee that experiences and lessons learned from successes and failures in the past are considered and used to enhance risk culture. In addition, risk culture adjustment should be considered to match the changing environment. The Bank shall apply the BOT Policy Statement Re Risk Culture of Financial Institutions as deemed appropriate to the structure, size, and complexity of business operation.

2.3. The 8 principles for the Board in accordance with the SEC CG Code are as follows:

(1) Establish clear leadership role and responsibilities of the Board



SEC CG Code, Principle 1

- (a) The Board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the Bank, and strengthen good governance, including:
 - i) Defining objectives;
 - ii) Determining means to attain the objectives; and
 - iii) Monitoring, evaluating, and reporting on performance.

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- (b) To achieve sustainable value creation, the Board should exercise its leadership role and pursue the following governance outcomes:
 - i) Competitiveness and performance with long-term perspective;
 - ii) Ethical and responsible business;
 - iii) Good corporate citizenship; and
 - iv) Corporate resilience
- (c) The Board should ensure that all Directors and management perform their responsibilities in compliance with their fiduciary duties, and that the Bank operates in accordance with applicable law and standards.
- (d) The Board should demonstrate a thorough understanding of the division of the Board and the management responsibilities. The Board should clearly define the roles and responsibilities of the management and monitor the management's proper performance of its duties.

(2) *Define objectives that promote sustainable value creation*



SEC CG Code, Principle 2

- (a) The Board should define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the Bank.
- (b) The Board should ensure that the Bank's annual and medium-term objectives, goals, strategies and plans are consistent with the long-term objectives, while utilising innovation and technology effectively.

(3) *Strengthen Board effectiveness*



SEC CG Code, Principle 3

- (a) The Board should be responsible for determining and reviewing the Board structure, in terms of size, composition and proportion of Independent Directors so as to ensure its leadership role in achieving the Bank's objectives.

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- (b) The Board should select an appropriate person as the Chairman and ensure that the Board composition serves the best interest of the Bank, enabling the Board to make its decisions as a result of exercising independent judgement on corporate affairs.
- (c) The Board should ensure that the policy and procedures for the selection and nomination of Directors are clear and transparent resulting in the desired composition of the Board.
- (d) When proposing director remuneration to the shareholders' meeting for approval, the Board should consider whether the remuneration structure is appropriate for the Directors' respective roles and responsibilities.
- (e) The Board should ensure that all Directors are properly accountable for their duties, responsibilities and (in-) actions, and allocate sufficient time to discharge their duties and responsibilities effectively.
- (f) The Board should ensure that the Bank's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.
- (g) The Board should conduct a formal annual performance assessment of the Board, the Board Committees and each individual Director. The assessment should be used to strengthen the effectiveness of the Board.
- (h) The Board should ensure that the Board and each individual Director understand their roles and responsibilities, the nature of the business, the Bank's operations, relevant laws and standards and other applicable obligations. The Board should support all Directors in updating and refreshing their skills and knowledge

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necessary to carry out their roles on the Board and Board Committees.

- (i) The Board should ensure that it can perform its duties effectively and have access to accurate, relevant and timely information. The Board should appoint a company secretary with necessary qualifications, knowledge, skill and experience to support the Board in performing its duties.

(4) *Ensure effective CEO and people management*



SEC CG Code, Principle 4

- (a) The Board should ensure that a proper mechanism is in place for the nomination and development of the President & CEO and key management to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the Bank to achieve its objectives.
- (b) The Board should ensure that an appropriate compensation structure and performance assessment are in place.
- (c) The Board should consider its responsibilities in the context of the Bank's shareholder structure and relationships, which may impact the management and operation of the Bank.
- (d) The Board should ensure that the Bank has effective human resources management and development programmes to ensure that the Bank has adequate staffing and appropriately knowledge, skilled and experienced employees and staff.

(5) *Nurture innovation and responsible business*



SEC CG Code, Principle 5

- (a) The Board should prioritise and promote innovation that creates value for the Bank and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the Bank.
- (b) The Board should ensure that the management allocates and manages resources efficiently and

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effectively throughout all aspects of the value chain to enable the Bank to meet its objectives.

- (c) The Board should establish a framework for governance of enterprise IT that aligns with the Bank's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Bank's objectives.

(6) *Strengthen effective risk management and internal control*



SEC CG Code, Principle 6

- (a) The Board should ensure that the Bank has effective and appropriate risk management and internal control systems that are aligned with the Bank's objectives, goals and strategies, and comply with applicable law and standards.
- (b) The Board shall establish an audit committee that can act effectively and independently.
- (c) The Board should manage and monitor conflicts of interest that might occur between the Bank, the management, the Directors and the shareholders. The Board should also prevent the inappropriate use of corporate assets, information and opportunities, including preventing inappropriate transactions with related parties.
- (d) The Board should establish a clear anti-corruption policy and practices (including communication and staff training), and strive to extend its anti-corruption efforts to stakeholders.
- (e) The Board should establish a mechanism for handling complaints and whistleblowing.

(7) *Ensure disclosure and financial integrity*



SEC CG Code, Principle 7

- (a) The Board must ensure the integrity of the Bank's financial reporting system and that timely and accurate disclosure of all material information

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regarding the Bank is made consistent with applicable requirements.

- (b) The Board should monitor the Bank's financial liquidity and solvency.
- (c) The Board should ensure that risks to the financial position of the Bank or financial difficulties are promptly identified, managed and mitigated, and that the Bank's governance framework provides for the consideration of stakeholder rights.
- (d) The Board should ensure sustainability reporting as appropriate.
- (e) The Board should ensure the establishment of a dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders and other stakeholders.
- (f) The Board should ensure the effective use by the Bank of information technology in disseminating information.

(8) *Ensure engagement and communication with shareholders*

- (a) The Board should ensure that shareholders have the opportunity to participate in decision-making involving significant corporate matters.
- (b) The Board should ensure that the shareholders' meetings are held as scheduled, and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights.
- (c) The Board should ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.



SEC CG Code, Principle 8

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3. FORMAL SCHEDULE OF MATTERS RESERVED FOR THE BOARD

3.1. To ensure the direction and control of the Bank are in the hands of the Board, the Board adopts a formal schedule of matters reserved for the Board's deliberation and decision.

3.2. The following summarises the list of matters reserved for the Board's deliberation and decision:

(a) Board structure

(i) Appointment and recommendation for appointment/reappointment or removal of Directors.



PLC Act, Sections 71, 75 and 76

(ii) Appointment and removal of the Company Secretary.



SEC Act, Section 89/15

(iii) Establishment of Board Committees including their Terms of Reference.



BOT SorNorSor 3/2566, Clause 4.3

(iv) Appointment, removal and replacement of Board Committee members, including recommendation for appointment, removal and replacement of the Directors of subsidiary Boards.

(v) Appointment and extension of contracts of the President & CEO and senior management of the Bank (i.e., U2 and above who are reporting directly to President & CEO), including recommendation for appointment, removal and replacement of the Managing Directors of subsidiaries.

(b) Remuneration matters

(i) Recommendation of Directors' fees for Directors, subject to the applicable policies, for further approval by the Bank's shareholders.

(ii) Approval of remuneration packages, including service contracts, for the Bank's President & CEO, senior management (i.e., U2 and above

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who are reporting directly to President & CEO, and any other persons the Board determines.

- (iii) Determination of the corporate goals and objectives relevant to the remuneration and evaluating the performance of the Bank's President & CEO in light of these objectives.
- (iv) Determination of the size of bonus/incentive pools as part of the Bank's annual plan based on consideration of pre-determined business performance indicators and the financial soundness of CIMB Thai.
- (v) Approval of annual salary adjustments and bonuses framework for CIMB Thai Group.



Bank's Nomination, Remuneration and Corporate Governance Committee TOR, Clause 2.2

(c) CIMB Thai operations

- (i) Approval of the appointment, relocation, dismissal and performance assessment of the Bank's Head of Compliance, Head of Internal Audit and Head of Risk Management; or delegation of such approval authority to relevant and appropriate oversight committee.
- (ii) Approval of CIMB Thai's business and strategic plans.
- (iii) Approval of the risk appetite and other initiatives which would, singularly or cumulatively, have a material impact on CIMB Thai's risk profile. This would include initiatives which affect the financial soundness, reputation or key operational controls of CIMB Thai.
- (iv) Approval of investment or divestment of a capital project which represents a significant diversification from CIMB Thai's existing business activities.
- (v) Oversee the performance and succession plans of CIMB Thai's President & CEO, and senior



BOT SorNorSor 2/2566, Clause 4.3.3 (2)

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management (i.e., U2 and above who are reporting directly to President & CEO).

- (vi) Approval of major changes in the activities of CIMB Thai.
- (vii) Approval of the Bank's policies.
- (d) Financial
 - (i) Approval of annual budget of CIMB Thai.
 - (ii) Approval of capital expenditure and/or disposal of capital items sanctioned over and above delegated levels, i.e. where the amount involved exceeds a pre-determined threshold given to management.
 - (iii) Approval of financial statements and their release (including financial reports) for announcement to the Securities Exchange of Thailand ("SET").
 - (iv) Determination and approval of the Dividend Policy.
 - (v) Recommendation of dividend payment, as well as the amount, nature and timing of the payment, for shareholders' approval.
 - (vi) Approval of interim dividend payment and submission of a report of such payment for shareholders' acknowledgment.
 - (vii) Adoption of accounting policies in line with the governing Financial Reporting Standards.
 - (viii) Approval of the review on adequacy and effectiveness of CIMB Thai's systems or risk management and internal controls.
- (e) Policies, strategic plans and important transactions that the Board must take part in formulating, suggesting and approving, as listed in the Attachment to BOT SorNorSor



Bank AOA, Clause 43



Bank AOA, Clause 43



BOT SorNorSor
2/2566 (Attachment)

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2/2566, which include, but not limited to, the Credit Policy, Enterprise-wide Risk Management Policy, Asset and Liability Management Policy, Internal Control Policy, Sales Distribution Strategic Plan.

- (f) Others
 - (i) Granting of power of attorney by the Bank, if necessary.
 - (ii) Recommendation for the changes in the Bank's AOA and Memorandum of Association (MOA).
 - (iii) Changes in the financial year end.
 - (iv) Recommendation for purchase of own shares by the Bank.
 - (v) Recommendation for issue of debt instruments.

4. COMPOSITION

4.1. The size of the Board is determined by the Board based on, among others, the following considerations:

- (a) The evolving circumstances of CIMB Thai in terms of its size, scope and geography;
- (b) The need to achieve an appropriate balance of Executive, Non-Executive and Independent Directors and the independent elements of the Non-Executive and Independent Directors. A Board with a balanced composition will ensure that no individual or small group of individuals will dominate decision-making;
- (c) The diversity of the Board, as a Board with a balanced composition will ensure that no individual or small group of individuals will dominate decision making;
- (d) The establishment of Board Committees becomes impracticable with very small boards;
- (e) Quorum requirement for Board meetings; and

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- (f) Other factors such as, representation of the interests of certain shareholders or groups of shareholders, the technical knowhow or experience in the relevant industry sector, and the Board's diversity of professional experience, ethnicity, gender and age.

- 4.2. The position of the Chairman shall be held by a Non-Executive or an Independent Director, who shall also be an individual different from the individual who holds the position of President & CEO.



BOT SorNorSor 2/2566,
Clause 4.4.1(3); and SEC
CG Code, Principle 3.2

- 4.3. The Board members shall comprise no less than five (5) and more than twelve (12) members.



PLC Act, Section 67; and
Bank AOA, Clause 14

- 4.4. The Board shall comprise Independent Directors of one third of the total number of Directors or at least three (3) at all times.



TorJor 39/2559, Clause
17(1)

- 4.5. Collectively, the Board shall have a broad range of financial and other skills, experience and knowledge necessary to guide the business of CIMB Thai.

- 4.6. The Board, with the assistance of the Nomination, Remuneration and Corporate Governance Committee, shall determine and regularly review the composition of the Board having regard to the optimum number and skill mix of Directors, and the terms served by existing Independent Directors, subject to the limits imposed by the laws and/or regulatory rules.

5. ROLE OF CHAIRMAN

- 5.1. The Chairman carries out a leadership role in the conduct of the Board and its relations to shareholders and other stakeholders.
- 5.2. The Chairman shall ensure balance of authority, increased accountability and a greater capacity for independent decision-making. The roles of Chairman and President & CEO are distinct and separate with a clear division of responsibilities between the Chairman and President & CEO, so that no individual or group dominates the decision-making process.

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5.3. The Chairman should oversee, monitor, and ensure that the Board efficiently carries out its duties to achieve the Bank's objectives.



SEC CG Code, Principle 3.2, Guidelines 3.2.3 (1)

5.4. The Chairman should ensure that all Directors contribute to the Bank's ethical culture and good corporate governance.



SEC CG Code, Principle 3.2, Guidelines 3.2.3 (2)

5.5. There are two main aspects to the Chairman's role. They are the Chairman's role within the boardroom and the Chairman's role outside the boardroom.

5.6. Pertaining to the Boardroom, the role of the Chairman is to:

- (a) Chair Board meetings;
- (b) Establish the agenda of Board meetings in consultation with the President & CEO and the Company Secretary, and ensure that important matters are included;
- (c) Ensure that Board meetings are effective and that decisions are taken on a sound and well-informed basis, including ensuring that:
 - (i) all strategic and critical issues are considered by the Board;
 - (ii) matters are considered carefully and thoroughly;
 - (iii) all Directors are given the opportunity to effectively contribute;
 - (iv) Directors receive the relevant information on a timely basis, including being properly briefed on issues arising at Board meetings;
 - (v) the Board comes to clear decisions and resolutions are noted;
 - (vi) sufficient time is allocated for the management to propose topics and for Directors to debate important matters thoroughly;
 - (vii) Directors are encouraged to exercise independent judgment in the best interest of the Bank; and



SEC CG Code, Principle 3.2, Guideline 3.2.3 (4)



SEC CG Code, Principle 3.2, Guideline 3.2.3 (4)

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- (viii) the open discussion is promoted, and there are constructive relations between the Executive, Non-executive and Independent Directors, and between the Board and management.



BOT SorNorSor 2/566, Clause 4.3.1 (2); and SEC CG Code, Principle 3.2, Guideline 3.2.3 (5)

- (d) Ensure that the President & CEO look beyond his executive functions and accept his full share of the responsibilities of governance;
- (e) Guide and mediate the Board's actions with respect to organisational priorities and governance concerns;
- (f) Be clear on what the Board has to achieve, both in the long and short term;
- (g) Ensure that the Board behaves in accordance with its Board Charter;
- (h) Lead efforts to address the Board's development needs; and
- (i) Perform other responsibilities, as assigned by the Board, from time to time.

5.7. Outside the Boardroom, the role of the Chairman is to:

- (a) Undertake appropriate public relations activities in conjunction with the President & CEO;
- (b) Preside over a meeting of shareholders. In the case where the Chairman is not present or is unable to perform the duty, a Vice Chairman, if any, shall preside over the meeting. If there is no vice chairman or there is a Vice Chairman but the Vice Chairman is unable to perform the duty, the shareholders present at the meeting shall elect one amongst themselves to preside over the meeting.
- (c) Be the spokesperson or assign a proper person to be the spokesperson at the Annual General Meeting in the reporting of performance and profit figures;
- (d) Be the major point of contact between the Board and the President & CEO;



PLC Act, Section 104

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- (e) Be kept fully informed of current events by the President & CEO on all matters which may be of interest to Directors;
- (f) Regularly review progress on important initiatives and significant issues facing CIMB Thai in conjunction with the President & CEO, and other relevant key senior management or such other appropriate key senior management;
- (g) Provide mentoring for the President & CEO; and
- (h) Initiate and oversee the annual performance evaluation process of the President & CEO. The Chairman should communicate the results (including development areas) of the performance evaluation to the President & CEO.



SEC CG Code, Principle 4.2, Guideline 4.2.2 (2)

- 5.8. The Chairman can be a member of the Board Committee but should not be a chairperson of any Board Committee.



IOD, Guideline for the Chairman, Clause 3.1.3.4

6. DIRECTORS AND PRESIDENT & CEO

- 6.1. Each Director is required to be aware of legal parameters that define his/her duties. Broadly, these include:

- (a) duty to perform duty with responsibility, due care and loyalty, and comply with laws and rules, objectives and AOA of the Bank, and the resolutions of the Board and shareholders, and with integrity, honesty and due care in the protection of benefits of the Bank;
- (b) duty to notify the Bank without delay when the following events occur:
 - (i) he or she has a direct or indirect interest in any contract which is made by the Bank during a fiscal year, and shall indicate nature of the contract, names of the contracting party and interest of the Director in the contract (if any)
 - (ii) he or she holds shares or debentures of the Bank or a subsidiary company, and shall indicate the total number of shares increasing or decreasing during a fiscal year (if any);



PLC Act, Section 85; and SEC Act, Section 89/7



PLC Act, Section 88

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- (c) duty to report a related person's interest in relation to management of the Bank or its subsidiary;
- (d) duty to inform the Board of interest (direct or indirect) in any agenda of the Board meeting and to not participate or take part in the decision or vote on such agenda;
- (e) duty to exercise power for a proper purpose; and
- (f) duty to exercise discretion properly and cannot fetter these powers by abdicating an independent exercise of such discretion and merely doing what is wanted by another person.



SEC Act, Section 89/14



BOT SorNorSor 2/2566,
Clause 4.3.1 (1)

6.2. Directors shall exercise reasonable care, skill and diligence according to the knowledge, skill and experience which may be reasonably expected of him/her having the same responsibilities, based on facts, any additional knowledge, skill and experience which he/she has and may be guided as follows:

- (a) refrain from rushing into decision-making. Provide adequate time for deliberation and evaluation of transactional and financial matters;
- (b) require sufficient notice and distribution of board papers and explanatory appendices in advance of meetings;
- (c) convene supplemental meetings in response to request for further information before the final decision;
- (d) make informed decisions based on the information provided and analysis and recommendations of the Bank's independent professional advisers (if any);
- (e) ensure that there is no undue pressure from dominant personalities or nominees of significant shareholders;
- (f) base reliance on others where there is sound basis for doing so; and
- (g) make appropriate enquiries to satisfy itself on the integrity and soundness of the internal controls and risk management systems.

6.3. Directors are prohibited from appointing alternate directors, as they should commit personally to the Board.

BOARD CHARTER

6.4. The role of Executive and Non-Executive Director

(a) Executive Director means:

- (i) Director who performs management duties in the capacity of a manager, deputy manager, assistant manager or any person holding equivalent position but with different job title;
- (ii) Director who has duties and responsibilities to perform or participate in any management duties similar to an executive, including a Director appointed as a member of the executive committee*;
*The executive committee means an executive committee in management level only.
- (iii) Director who has signatory power to obligate the Bank, unless such binding signature is for those approved by the Board on a case-by-case basis and co-signed with other Director(s); and/or
- (iv) Director holding an executive position, Director being responsible for any action deemed to be taken by an executive.



BOT SorNorSor 1/2566,
Clause 5.1 - Definitions

(b) Non-Executive Directors are classified as:

- (i) those who do not perform management duties as an Executive Director;
- (ii) those who represent Group or a company related to Group and have no signing authority; and/or
- (iii) those who are not employees of CIMB Thai or involved in the day-to-day running of the business and have no direct or indirect pecuniary interest in the Bank other than Directors' fee but hold the Bank's shares exceeding the limit of 0.5% of the total number of shares with voting right of the Bank.



BOT SorNorSor 1/2566,
Clause 5.1 - Definitions

- (c) Non-Executive Directors act as a bridge between management, shareholders and other stakeholders.

BOARD CHARTER

They provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied.

6.5. The role of an Independent Director

- (a) Independent Directors are essential in protecting the interests of shareholders including the rights of minority shareholders and can make significant contributions to the Bank by bringing in the quality of detached impartiality.
- (b) Independent Directors shall have following qualifications:
 - (i) Apart from having “Fit and Proper” qualifications, and having **no prohibited characteristics as specified in BOT SorNorSor 3/2564** (*please refer to clause 5.3*), Independent Directors **must have qualifications as specified in TorJor. 39** (*please refer to Clause 17 (2)*), especially they must not have business involvement, or take part in, or have interests in the Bank, or have any characteristics that may cause them to not independently make a decision or vote on the Bank's business operations.
 - (ii) Independent Directors must not be or had not been non-independent directors, managers, persons with power of management, advisors or staff members of CIMB Thai and companies in CIMB Thai Group, unless they have been discharged from such positions or status for no less than two (2) years prior to the day the appointment request is submitted to the BOT.
 - (iii) Independent Directors can hold their positions in the Bank for no more than nine (9) consecutive years, including the period during which they serve as Independent Directors of companies within CIMB Thai Group.



BOT SorNorSor 2/2566,
Clause 4.4.2

BOARD CHARTER

In addition, for an Independent Director who had held the position for less than nine (9) years, if he/she has been discharged from the position of Independent Director of CIMB Thai and companies in CIMB Thai Group, while, over that period, he/she has not been appointed as a director, manager, person with power of management, advisor, staff member of CIMB Thai and companies in CIMB Thai Group, he/she may be re-appointed as an Independent Director, but the period during which he/she serves as an Independent Director must be “all” counted.

(c) Independent Director shall also observe the following criteria and measures:

- (i) An Independent Director must not have or have had a business relationship with CIMB Thai, its parent company, subsidiary, associate company, major shareholder or controlling person in a manner that may interfere with independent discretion, which includes not being or having been a significant shareholder or the controlling person of any person having a business relationship with CIMB Thai, its parent company, subsidiary, associate company, major shareholder or controlling person, unless such foregoing relationships have ended for at least two (2) years prior to the date on which such Independent Director is appointed as an Independent Director.
- (ii) The independent and objective judgment of an Independent Director must not be compromised by, amongst others, familiarity or close relationship with other Board members.
- (iii) Upon completion of nine (9) years, an Independent Director may continue to serve the Board subject to the director's re-designation and assessment of the Nomination, Remuneration and Corporate Governance Committee as a Non-Executive Director.



TorJor 39, Clause 17 (2)(d)

BOARD CHARTER

- (iv) An Independent Director must not be a substantial shareholder of CIMB Thai or its subsidiaries or any related corporations of CIMB Thai.
- (v) An Independent Director must not be or have been an auditor of the Bank, its parent company, subsidiary, associated company, majority shareholder, or controlling person, and must not be a significant shareholder, controlling person, or partner of the audit firm which employs the auditor of the Bank, its parent company, subsidiary, associated company, majority shareholder, or controlling person, unless the foregoing relationship has ended not less than two (2) years.
- (d) All resignations and removal of Independent Directors from the Board shall be notified to the Office of the SEC, SET, BOT and Office of Insurance Commission ("OIC").



TorJor 39, Clause 17 (2)(e)

6.6. The role of President & CEO

- (a) The President & CEO assumes the overall responsibility for the implementation of the CIMB Thai's strategy and in carrying out the Board's directions, managing the businesses of CIMB Thai and driving performance within strategic goals and commercial objectives. The President & CEO leads the management team in carrying out the corporate strategy and vision of CIMB Thai. As the President & CEO of CIMB Thai, he is accountable to the Board for the day-to-day management and operations of CIMB Thai's business.
- (b) The specific responsibilities of the President & CEO include;
 - (i) Developing strategic direction;
 - (ii) Ensuring strategies and corporate policies are effectively implemented;
 - (iii) Ensuring Board decisions are implemented and Board directions are responded to;

BOARD CHARTER

- (iv) Providing directions in the implementation of short and long term business plans;
- (v) Providing strong leadership that is, effectively communicating a vision, management philosophy and business strategy to the employees;
- (vi) Keeping the Board fully informed of all important aspects of the Bank's operations and ensuring sufficient information is distributed to Board members;
- (vii) Ensuring the day-to-day business affairs of the Bank are effectively managed;
- (viii) Developing the President & CEO Focus Areas annually including quantitative targets such as Return on Equity, Total Shareholder Return, Dividend Policy, Loan Growth, Deposit Growth among others;
- (ix) Together with the Board sets objective, visions, targets and strategic direction of the Bank;
- (x) Together with management sets corporate theme and corporate tagline for the Bank;
- (xi) Ensuring that staff and employees at all levels perform their duties in accordance with the policies approved by the Board;
- (xii) Contacting, building relationship, and coordinating with other banks and organizations, both domestically and internationally;
- (xiii) Representing the Bank or performing as the Bank's authorized person in dealing with external agencies or supervisory bodies, or performing any legally binding acts as assigned by the Board and within the scope of the Bank's objectives and AOA; and
- (xiv) Considering other matters as assigned by the Board.

BOARD CHARTER

- (c) The President & CEO shall have his/her principal or only place of residence within Thailand and devote the whole of his/her professional time to the service of the Bank.

7. APPOINTMENT, RE-ELECTION/ RE-APPOINTMENT AND REMOVAL OF OFFICE

- 7.1. The Board shall consider and decide on the appointment of a new director upon appropriate recommendation from the Nomination, Remuneration and Corporate Governance Committee.
- 7.2. For the assessment and selection of Directors, the Nomination, Remuneration and Corporate Governance Committee shall consider the following factors from prospective Directors:
 - (a) skills, knowledge, expertise and experience;
 - (b) contribution and performance;
 - (c) character, professionalism and integrity;
 - (d) number of directorships and other external obligations which may affect the Director's commitment, including time commitment and value contribution; and
 - (e) other qualifications as may be required by the governing laws and/or regulations;
- 7.3. One-third (1/3) of the Board members are required to retire at every Annual General Meeting and be subjected to re-election by shareholders.
- 7.4. The Board, as recommended by the Nomination, Remuneration and Corporate Governance Committee, shall consider the following criteria in determining the eligibility of the Directors to stand for re-election, inter-alia:
 - (i) The Director's competency in specialised areas of practise and level of contribution to the Board through their knowledge, skills and expertise;



PLC Act, Section 71

BOARD CHARTER

- (ii) The level of independence demonstrated by the Directors, and their ability to act in the best interest of the Bank;
- (iii) Probity, personal integrity and reputation, where the Directors must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness; and
- (iv) Financial integrity, where the Directors must manage their debts or financial affairs prudently.

7.5. Newly appointed Director shall hold office until any Annual General Meeting which is the end of the term office of the Director whom he/she has replaced and shall be subjected to re-election by the shareholders.



PLC Act, Section 75

7.6. The appointment and re-appointment of Directors are subject to the BOT's vetting and prior approval.



BOT SorNorSor 3/2564, Clause 5.5; and FI Act, Section 25

7.7. Any Director shall not be considered fit for directorship if the Director has prohibited characteristics as specified by the governing laws and/or regulations;

7.8. The office of Director shall, ipso facto, be vacated upon:



PLC Act, Sections 68, 72 and 76

- (a) expiry of his/her term of office;
- (b) death;
- (c) resignation;
- (d) lack of qualifications or possession of any of the following prohibited characteristics:
 - (i) being bankrupt, incompetent or quasi-incompetent;
 - (ii) having been imprisoned on the final judgment of a court for an offense related to property committed with dishonest intent;
 - (iii) having been dismissed or removed from government service, or a government organization or a government organization or a

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government agency in punishment for dishonesty in performing their duties;

- (e) removal by a resolution of the shareholders' meeting;
- (f) removal by a court order;
- (g) possession of any characteristic indicating a lack of appropriateness in respect of trustworthiness in managing business whose shares are held by public shareholders; or
- (h) possession of any of the prohibited characteristics as prescribed in other governing laws/regulatory rules such as Section 24 of FI Act, Clause 5.3 of BOT SorNorSor 3/2564.



SEC Act, Section 89/4

- 7.9. Removal of any Director shall be done by the shareholders' meeting with a resolution of not less than three-fourths of the number of shareholders present at the meeting and entitled to vote and also the aggregate number of shares of not less than one-half of the number of shares held by the shareholders present at the meeting and entitled to vote.



PLC Act, Section 76

Where a Director is removed from office by the shareholders' resolution, CIMB Thai must notify such change to BOT, SET and SEC, OIC and other government entities and/or regulators as may be required by the governing laws and/or regulatory rules.

- 7.10. In the event that a Director violates or fails to act in accordance with the provisions of the FI Act, or the prescriptions or notifications issued by virtue of the FI Act, or the conditions prescribed in the commercial banking business license, the BOT shall have the power to order a removal of the Director, which order shall be regarded as a resolution of the shareholders' meeting.



FI Act, Section 89

- 7.11. Directors shall sign the Acknowledgement of Directors' Duties and Responsibilities to the Governor of the BOT as per the BOT's requirement.



BOT SorNorSor 3/2564

- 7.12. Directors shall be provided with orientation sessions which are conducted by key function heads, together with necessary documents (e.g., Directors' Handbook, Board Committees' TORs).

BOARD CHARTER

8. COMPANY SECRETARY

8.1. The Board shall ensure it is supported by a suitably qualified and competent Company Secretary, who shall, at minimum, meet the requirements of the SEC Act.



SEC Act, Section 89/15

8.2. The Board shall appoint a Company Secretary. Appointment and removal of the Company Secretary shall be subject to the Board's approval.



SEC Act, Section 89/15

8.3. The Company Secretary is responsible for the co-ordination of all Board business, including agendas, Board papers, minutes, communication with regulatory bodies and all statutory and other filings. Dissemination and observance of the Board process must accord to Section 16 of this Board Charter.

8.4. All Directors shall have direct access to the Company Secretary. The Company Secretary is expected to provide unimpeded advice and services to the Directors, as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance.

8.5. The Company Secretary shall have following responsibilities under the SEC Act:



SEC Act, Section 89/15

- (a) preparing and keeping the following documents:
 - (i) a register of directors
 - (ii) a notice calling a Directors' meeting, minutes of the meeting of the Board, and an annual report of the Bank
 - (iii) a notice calling a shareholders' meeting and minutes of the shareholders' meeting;
- (b) keeping a report on interest filed by a Director or an Executive;
- (c) performing any other acts as specified in the notification of the Capital Market Supervision Board; and
- (d) submitting a copy of the report on interest to the Board Chairman and the Chairman of the Audit Committee



SEC Act, Section 89/16

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within seven (7) business days from the date on which the Bank has received such report.

8.6. Responsibilities of the Company Secretary shall include:

- (a) ensuring that Board procedures and applicable rules are observed;
- (b) ensuring effective management of the Bank's records;
- (c) ensuring conclusions are accurately recorded in the minutes of the Board's and shareholders' meetings;
- (d) timely disseminating information relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirement;
- (e) carrying out other functions as deemed appropriate by the Board from time to time;
- (f) assisting the Board with interpreting legal and regulatory acts related to the listing rules and international regulations and developments; and
- (g) advising the Board on its obligatory requirements to disclose material information to the shareholders and financial markets on a timely basis.

9. AUTHORITY

9.1. The Board shall have the following authority to:

- (a) entrust one or several directors or any other person to perform any acts on its behalf;
- (b) investigate any activity or matter within its Board Charter;
- (c) acquire the resources which are required to perform its duties;
- (d) obtain relevant internal and external independent professional advice or other advice to assist the Board in performing its responsibilities and duties, at the



PLC Act, Section 77

BOARD CHARTER

expense of the Bank and in accordance to the authority delegated to the committees; and

- (e) meet exclusively among itself, whenever deemed necessary.

9.2. Directors may consult advisers and seek independent advice in legal, financial, governance or other expert advice in the course of their duties, as follows;

- (a) A Director may speak to the Chairman on the request, providing the following details:
 - (i) the nature of the independent advice;
 - (ii) the likely cost of seeking the independent advice; and
 - (iii) details of the independent adviser proposed.
- (b) The Chairman will consult the Company Secretary whether the request should go directly to the Board of Directors or whether it warrants a thorough feasibility study in accordance with relevant policies.
- (c) Depending on the complexity of the request, the Company Secretary will initiate the process to engage the required advisors.
- (d) A copy of the report or independent advice will be made available to the Chairman, and if deemed appropriate, be circulated to the Board of Directors for deliberation.
- (e) All documentation seeking the independent advice must clearly state that advice is sought for the benefit of CIMB Thai and must not concern matters of a personal or private nature to the Director or any other individual.

10. ROLE AND DELEGATION TO MANAGEMENT

10.1. The Board is responsible for the approval of strategic objectives for the business, as developed by the President & CEO, and the President & CEO is responsible for the achievement of the planned results for CIMB Thai.

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- 10.2. Management of CIMB Thai's day to day operation is undertaken by the President & CEO, subject to the specified delegations of authority as approved by the Board.
- 10.3. Any matters or transactions beyond the delegation of authority of the President & CEO must be referred to the CIMB Thai Board for approval.

11. DELEGATION TO BOARD COMMITTEES

- 11.1. The Board may establish certain specified Board Committees as deemed appropriate and necessary. On this, it is required that the Board must set up risk oversight committee and audit committee to ensure independent and effective three lines of defense. However, the Board may consider establishing other board committees depending on the size of the Bank, the business model, risk profile as well as its direction and strategy. Each committee should have clear mandate, duties, responsibilities, and powers to alleviate the workload and increase efficiency and effectiveness of the Board.



BOT SorNorSor 2/2566,
Clause 4.3.3 (1)

12. BOARD COMMITTEES

- 12.1. The Board has established Committees to assist the Board in exercising its roles and responsibilities.

- 12.2. The standing Board Committees are:

- (a) Audit Committee;

The key responsibilities of the Audit Committee are to ensure that the Bank and its subsidiaries have a correct and adequate financial reporting process and to review and assess the Bank's internal control and internal audit systems to ensure their adequacy and effectiveness. The Audit Committee shall also consider the adequacy and accuracy of the Bank's information disclosure, especially related-party transactions or items that may lead to conflict of interest issues as well as prepare an audit committee oversight report and disclose it in the Annual Registration Statement – Annual Report (Form 56-1 One Report) (“One Report”). Amongst others, the Audit



BOT SorNorSor 3/2566,
Clause 4.3.1

BOARD CHARTER

Committee must report to the Board in order to take remedial action within the time that the Audit Committee deems appropriate in the event where the Audit Committee discovers or suspects any misconduct.

The Audit Committee reports to the Board on a monthly basis on work carried out, key deliberations and decisions taken on delegated matters.

(b) Board Risk and Compliance Committee;

The primary responsibility of the Board Risk and Compliance Committee is to give suggestions to the Board about the Bank's risk management framework, and to oversee that strategies on capital and liquidity management for absorbing various types of risks of the Bank are in line with the approved risk appetite.



BOT SorNorSor 3/2566,
Clause 4.3.2

On Compliance oversight, the committee is to evaluate the effectiveness of the Bank's overall management of Compliance and AML/CFT risk. Moreover, the committee is to review the internal controls related to regulatory requirement and compliance issues identified by internal, external and regulators and to ensure that appropriate and prompt remedial actions are taken by management.

In addition, the Board Risk and Compliance Committee shall revisit and review the sufficiency and effectiveness of the overall risk management and compliance policies and strategies as well as risk appetite, as well as ensure a "risk-awareness" culture is embedded in CIMB Thai.

The Board Risk and Compliance Committee reports to the Board on a quarterly basis on work carried out, key deliberations and decisions taken on delegated matters.

(c) Nomination, Remuneration and Corporate Governance Committee;

The Nomination, Remuneration and Corporate Governance Committee's key responsibilities include formulating policies, guidelines and methods for the selection of candidates for directors and the Bank's senior management (U2 and above), and persons with



BOT SorNorSor 3/2566,
Clauses 4.3.3 and 4.3.4

BOARD CHARTER

power of management for the Board's consideration and appointment, and selecting and nominating qualified candidates for the positions of Directors, members of the committees whose roles, responsibilities, and authorities are directly assigned by the Board, and the Bank's senior management (U2 and above), and persons with power of management, and advisors.

The Nomination, Remuneration and Corporate Governance Committee's roles in regard to remuneration include the setting out of remuneration and other benefits policies as well as remuneration packages and benefits for Directors and the Bank's senior management (U2 and above) and persons with power of management and overseeing that remuneration packages for Directors and persons with power of management are commensurate with their roles and responsibilities.

The Nomination, Remuneration and Corporate Governance Committee reports to the Board as and when required on work undertaken, key deliberations and decisions taken on delegated matters..

12.3. The Audit Committee must:

- (a) have at least three (3) members. In case the number of the members of the Audit Committee has become less than the said number of three (3), the Bank shall appoint additional members to meet the prescribed number within three (3) months from the date on which the number of the Audit Committee members has become shortfall;
- (b) have all members being Independent Directors;
- (c) be chaired by an Independent Director; not be chaired by the Board Chairman, Chairman of the Board Risk and Compliance Committee and/or Chairman of the Nomination, Remuneration and Corporate Governance Committee;
- (d) The Audit Committee shall consist of at least 3 members, all being Independent Directors.



TorJor 39/2559, Clause 17.(3)
SET Procedure for AC, Clause
1.(1.2)

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- (e) comprise at least one member who has the knowledge and experience sufficiently for performing the duty to review the creditability of CIMB Thai's and its subsidiaries' financial statements;
- (f) have at least 1 Audit Committee member having knowledge, understanding or experience in accounting or finance and be consistently knowledgeable of events affecting the changes in financial reporting process in order to increase the efficiency of the Audit Committee's performance, because the main duty of the Audit Committee is to review the financial reporting process to ensure the best quality; and
- (g) not appoint a person being or having been an executive director, employee, staff, advisor earning regular monthly salary or controlling person of the Bank, or its parent company, subsidiary, associate company, same-level subsidiary, major shareholder or controlling person, unless the foregoing status has ended for at least two (2) years. In this regard, such prohibited characteristics shall exclude the case where an Independent Director used to be a government official or advisor of a governmental agency, which is a major shareholder or the controlling person of the Bank.
- (h) not appoint a person being or having been an auditor of the Bank, its parent company, subsidiary, associate company, majority shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of the audit firm which employs the auditor of the Bank, its parent company, subsidiary, associate company, majority shareholder, or controlling person, unless the foregoing relationship has ended for not less than two (2) years.



Best Practice Guidelines for
Audit Committee, Clause 3 (3)



TorJor 39/2559, Clause 17
(2) (b) and (e)

12.4. The Board Risk and Compliance Committee must:

- (a) have at least three (3) members;
- (b) have members being directors, senior executives or advisors;



BOT SorNorSor 3/2566,
Clause 4.3.2 (2)

BOARD CHARTER

- (c) have at least half of the members being Independent Directors, Non-Executive Directors or advisor to the Bank who acts like a Director;
- (d) be chaired by the Independent Director or Non-Executive Director; and
- (e) comprise at least one member who has the knowledge, expertise and understanding of risks related to the financial institutional business.

12.5. The Nomination, Remuneration and Corporate Governance Committee must:

- (a) have at least three (3) members;
- (b) have all members being Independent Directors or Non-Executive Directors; and
- (c) be chaired by an Independent Director.



BOT SorNorSor 3/2566, Clause 4.3.3 (2) and 4.3.4 (2)

12.6. The Board Chairman should not be a member of the Audit Committee. He/She can be a member of the Board Committees but should not be a chairperson of any of them.



IOD's Guideline for the Chairman, Clauses 3.1.3.3 and 3.1.3.4

12.7. The Board may establish additional Board Committees from time to time to consider matters of special importance or to exercise the delegated authority of the Board.

12.8. The Board shall approve the Terms of Reference of the standing and additional Board Committees, which shall set out the roles and responsibilities of each Committee, having regard to its membership and composition against skills and experience.

12.9. The existence of the Board Committees does not diminish the Bank's Board's ultimate responsibility over the functions and duties of these Board Committees.

13. MEETINGS

13.1. Directors must devote sufficient time to prepare for and attend Board meetings.

BOARD CHARTER

- 13.2. The Board should ensure that the Board and each individual Director understand their roles and responsibilities, the nature of the business, the Bank's operations, relevant laws and standards, and other applicable obligations.



SEC CG Code, Principle 3.8

13.3. Frequency and Attendance

- (a) The Board must meet at least once every three (3) months at the locality where the principal business office of the Bank is located or in a nearby province, unless the AOA of the Bank requires meetings to be held elsewhere.



PLC Act, Section 79

- (b) Meetings of the Board shall be summoned by the Board Chairman. If a request is made by at least two (2) Directors for a summoning of a meeting of the Board, the Chairman of the Board shall fix the date of the meeting within fourteen (14) days as from the date of the request.



PLC Act, Section 81

- (c) The Chairman is responsible, in consultation with the President & CEO and the Company Secretary, for the conduct of all Board meetings. This includes being satisfied that the agenda items are comprehensive, appropriate and ensure that recommendations fit within the strategic direction set by the Board.

- (d) A decision of a meeting shall be by a majority of votes. In casting votes, each Director shall have one vote, provided that any Director who has any interest in a particular matter may not vote on such matter. In the case of an equality of votes, the person presiding over the meeting shall have an additional vote as a casting vote.



PLC Act, Section 80

- (e) If a member of the Board is unable to be physically present, the member may choose to participate via electronic media.

- (f) A Director must attend at least 75% of the Board meetings held in each financial year.



BOT SorNorSor 2/2566, clause 4.3.1 (2)

- (g) Management may be invited to attend selected Board meetings, but not necessarily for the full duration of the meeting.

BOARD CHARTER

13.4. Notice and Agenda

- (a) In summoning a Board Meeting, a written notice summoning a meeting shall be sent to Directors at least three (3) prior to the date of the meeting; except that, in the case of necessity or urgency for the purpose of protecting rights or benefits of the Bank, a summoning of the Board Meeting may be notified by electronic media or other means and an earlier date of the meeting may be fixed.
- (b) The Chairman shall ensure that proper agenda is prepared for the Board meeting.
- (c) The Chairman, in conjunction with the Company Secretary, shall assess the type of information needed to be supplied to the Board and the contents of the agenda. The agenda shall include, amongst others, matters specifically reserved for the Board's decision.
- (d) The agenda for the Board meeting should be notified to the Board at least fourteen (14) days in advance. For the relevant papers, they must be submitted to the Board in accordance with the applicable practice, which must not be less than three (3) days prior to each of the Board meetings to allow sufficient time for Directors to consider the relevant information.



PLC Act, Section 82

13.5. Quorum

- (a) In order to form a quorum for the meeting, not less than 50% of the members of the Board must be present at the meeting.
- (b) In the absence of the Chairman, the members present shall elect a Chairman for the meeting from amongst the members present.



PLC Act, Section 80



PLC Act, Section 80

13.6. Minutes

- (a) The Board shall oversee that the Bank prepares the complete minutes of the Board's Meeting, where the comments on important agenda/issues of each individual Director must be recorded.



BOT SorNorSor 2/2566,
Clause 4.3.4 (5)

BOARD CHARTER

- (b) The draft minutes shall be tabled at the following meeting for confirmation and signing.
- (c) The Board shall cause the minutes of a meeting of the Board to be completely prepared within fourteen (14) days as from the date of the meeting.
- (d) A copy of the minutes of the Board meetings shall be submitted to the BOT within seven (7) days from the day the Board endorses the minutes, but no later than forty-five (45) days from the day the meeting is convened.
- (e) The minutes shall be prepared and maintained by the Company Secretary.
- (f) Keeping of the minutes must comply with the requirements of relevant laws, for example the PLC Act, SEC Act.
- (g) Reproduction of any part of the minutes can only be performed through/by the Company Secretary.



PLC Act, Section 96



BOT SorNorSor 2/2566,
Clause 4.3.4 (5)



SEC Act, Section 89/15

14. DIRECTORS' DEVELOPMENT

14.1. Directors must maintain a sound understanding of the businesses of CIMB Thai as well as relevant market and regulatory developments. This must include a commitment to on-going education.

14.2. Directors Induction

- (a) The objective of the induction process and training programme is to provide Directors with a rapid and clear insight into the CIMB Thai as well as keeping them abreast with development in the market place pertaining to the oversight function of Directors. This enables the Directors to discharge their duties and responsibilities effectively.
- (b) Induction of Directors may include the following;
 - (i) time with other Directors to enable further insights and knowledge of the Bank, in particular the Chairman and the Company Secretary;

BOARD CHARTER

- (ii) furnishing of a copy of the previous Board minutes for at least the past six (6) months;
- (iii) visits to key operational sites within CIMB Thai;
- (iv) attendance at additional Board or Board Committee meetings as circumstances warrant during a given year, as in-depth knowledge of the particulars of the Bank's business is vital for each Director. Management is encouraged to structure Board or Board Committee meetings to allow direct involvement and review of operational activities; and
- (v) a formal one (1) to two (2) day induction programme, including the element above, and also presentations by key management personnel.

14.3. Directors are strongly encouraged to undergo training to equip themselves to effectively discharge their duties as a Director and for that purpose he/she ensures that he/she attends such training programme.

14.4. Coordinated by the Nomination, Remuneration and Corporate Governance Committee, the Board collectively, shall discuss and assess the training needs of each Director and to decide on the type of training that may be required for effective and efficient discharge of Directors' duties and responsibilities.

14.5. The Nomination, Remuneration and Corporate Governance Committee in association with the Chairman shall decide on the continuous education training programme for Directors.

14.6. All trainings attended by Directors must be disclosed in the One Report.

15. DIRECTOR'S EXTERNAL COMMITMENT

15.1. To ensure that Directors can effectively contribute their time to the business management of the Bank, they must have limited involvement in other organizations, as follows:

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- (1) A Director can serve as the chairman of the board or/and executive director of no more than 3 “other” business groups, apart from his/her position in the Bank. If any company does not have a business group, that company, itself, will be considered as the business group, and for companies acquired from debt restructuring, they shall be considered companies within the financial business group of the Bank;
- (2) A director can serve as a director of a company listed on the domestic and overseas stocks exchange for no more than 5 companies, excluding listed companies acquired from debt restructuring. If the financial institution that “such” director serves is a listed company, it shall be counted as one listed company, out of the 5 listed companies.

15.2. The Board should ensure reporting and public disclosure of directors assuming or holding positions at other companies.



BOT SorNorSor 4/2566,
Clause 4.6.1(3); SEC CG
Code, Principle 3.5.3

16. RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS

16.1. It is the role of the Board to ensure that the Annual General Meeting (“AGM”) and Extraordinary General Meeting (“EGM”) of the Bank are conducted in an efficient manner and serve as crucial mechanisms in shareholder communications. Key ingredients behind this include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the AGM and EGM. The Board shall focus its efforts on the following practices to enhance the effectiveness of General Meetings:

- (a) ensure that each item of special business included in the notice is accompanied by a full explanation of the effects of the proposed resolutions;
- (b) for re-election and re-appointment of Directors, ensure that the notice of meeting states which Directors are standing for re-appointment or re-election, with a brief description including matters such as age, relevant experience, list of directorships, date of appointments to the Board, details of participation in Board Committees and whether a particular Director is independent;

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- (c) ensure that the Chairman provides reasonable time for discussion at the meeting. Where appropriate, the Chairman shall also undertake to provide the enquirer with a written answer to any significant question which cannot be answered immediately;
- (d) ensure that resolutions are conducted by poll, and announce the detailed results of the votes cast for and against each resolution and appoint a witness to validate the votes cast;
- (e) ensure that there is a channel of communication through the Company Secretary on feedback and queries from shareholders;
- (f) ensure that the Board Chairman is the Chairman for all General Meetings; or, if the Board Chairman is not present at any General Meeting or cannot perform his duty, ensure that the Vice-Chairman of the Board is the Chairman for such Meeting; or, if there is no Vice-Chairman or there is a Vice-Chairman who is not present at such meeting or cannot perform his duty, ensure that the shareholders present at the meeting elect one shareholder to be the Chairman of such Meeting; and
- (g) ensure that the Bank publishes these measures as listed above, on its corporate website.



PLC Act, Sections 104

16.2. It is the role of the Board to ensure that there is effective communication between the Board and management with stakeholders (other than shareholders), including the following:

- (a) ensure that external stakeholders including customers, business partners, suppliers, regulators, local communities, non-governmental organisations and the general public are engaged on material issues concerning them;
- (b) ensure that external stakeholders are able to communicate confidentially and anonymously on any breaches of the Bank's codes and policies, including corruption and breaches of human rights; and

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- (c) ensure that grievance mechanisms are in place for stakeholders that are impacted by the Bank's business activities.

17. REPRESENTATION OF THE BANK

- 17.1. The Board shall have the relevant policies and procedures to ensure comprehensive, accuracy and timelines in managing communication of information to investors, other stakeholders and the public orderly and effectively, while adhering to relevant laws and regulatory requirements. These policies and procedures shall ensure compliance with the relevant disclosure requirements of the regulators.
- 17.2. The Bank shall consider the use of information technology in communicating with stakeholders, including a dedicated section for Investor Relations in the corporate website. This section shall provide information such as, amongst others, CIMB Thai's performance, corporate strategy and other matters affecting shareholders' interests. The Bank's dedicated section for corporate governance shall include information such as the Board Charter, rights of shareholders and the One Report.

18. BOARD PERFORMANCE

- 18.1. On an annual basis, the Board, Board Committees, and each individual Director shall assess their performance, as well as ensure a use of the annual performance assessment results to develop themselves.
- 18.2. The annual assessment of the performance of the Board and Board Committees as a whole and on an individual Director level should be based on self-assessment, or alternatively, on cross-assessment together with self-assessment. The criteria, process, and results of the assessment should be disclosed in the One Report.



BOT SorNorSor 2/2566,
Clause 4.3.1 (4); SEC CG
Code, Principle 3.7.1



SEC CG Code, Principle
3.7.2

19. ETHICAL STANDARDS

- 19.1. Board members are expected to observe the highest standards of ethical behaviour.

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- 19.2. The Code of Conduct for Directors shall be read in conjunction with this Board Charter.
- 19.3. The Board supports and encourages policies within CIMB Thai which require Directors and employees to observe high standards of personal integrity and display honesty in their dealings.
- 19.4. All members of the Board shall safeguard all internal communications and treat them as strictly private and confidential, and for the use of Board members only unless officially published.

20. CONFLICTS OF INTEREST & RELATED PARTY TRANSACTIONS

- 20.1. Directors are expected to avoid any action, positions or interest that conflicts with an interest of CIMB Thai, or gives the appearance of a conflict.
- 20.2. In casting votes at the Board meetings, each Director shall have one vote, provided that any director who has any interest in a particular matter may not vote on such matter.
- 20.3. A Director shall notify to the Bank without delay in the case where he/she has any direct or indirect interest in any contract made by the Bank during an accounting year, provided that the notification in this case shall indicate facts concerning the nature of the contract, names of the parties thereto and the interest of the Director in such contract (if any).
- 20.4. In performing duty with loyalty, Directors and management shall:
 - (1) act in good faith for the best interest of CIMB Thai;
 - (2) act with proper purpose; and
 - (3) not act in significant conflicts with the interest of CIMB Thai.
- 20.5. Any of the following acts which provides any Director, management or related person any financial benefits other than those that should be ordinarily obtained or causes damages to CIMB Thai shall be presumed significant conflict with the interest of CIMB Thai:

 PLC Act, Section 80; and
BOT SorNorSor 2/2566,
Clause 4.3.1 (1)

 PLC Act, Section 88

 SEC Act, Section 89/10

 SEC Act, Section 89/11

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- (1) entering into transaction between the Bank or the subsidiary and the Director or related person which does not comply with Section 89/12 or Section 89/13 of the SEC Act;
- (2) use of learned information other than that already disclosed to the public; or
- (3) use of asset or business opportunity of CIMB Thai in contravention of the rules or general practice as specified in the notification of the Capital Market Supervisory Board.

20.6. A Director, management or related person may enter into any transaction with the Bank or subsidiary only after obtaining approval from the shareholders' meeting unless such transaction is categorized as any of the following manners:



SEC Act, Section 89/12

- (1) a transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances, on the basis of commercial negotiation and without any dependent interest resulted from the status of the Director, management or related person, as the case may be, provided further that the said commercial terms have been approved by the Board or in compliance with the principle approved by the Board;
- (2) a loan in accordance with the regulations on the welfare for staff members and employees;
- (3) a transaction in which the counterparty to the Bank or both parties are;
 - (a) a subsidiary or subsidiaries whose shares are held by the Bank in the amount not less than ninety (90) percent of its total number of shares sold; or
 - (b) a subsidiary or subsidiaries whose shares are held by a Director, management or related person or in which such person has interest, whether directly or indirectly, not more than the amount, rate or characteristic as specified in the notification of the Capital Market Supervisory Board;

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- (4) a transaction in a particular category or with value not more than the amount or rate as specified in the notification of the Capital Market Supervisory Board.

- 20.7. Directors and management shall file with the Bank a report on his/her interest or a related person's interest in relation to management of the Bank or its subsidiary in accordance with the rules, conditions and procedures specified in the notification of the Capital Market Supervisory Board.



SEC Act, Sections 89/14, 89/15 and 89/16

The Company Secretary shall keep the report on interest filed by Directors or management and shall submit a copy of the report to the Board Chairman and the Chairman of the Audit Committee within seven (7) business days from the date on which the Bank has received such report.

- 20.8. Should there be an actual, potential or perceived conflict of interest between the Bank or a related corporation and a Director, or a related person of a Director, the Director involved shall make full disclosure and act honestly in the best interest of CIMB Thai.

- 20.9. The Audit Committee is responsible for considering the adequacy and accuracy of the financial institution's information disclosure, especially related-party transactions or items that may lead to conflict of interest issues and to ensure efficient internal control system to detect any irregularities and regulatory compliance by the Bank including the action to mitigate impact if any.



BOT SorNorSor 3/2566, clause 4.3.1 (1.5)



SEC NorLorWor 23/2566 clause 1.

- 20.10. The Board should ensure management and monitoring of conflict of interest situations and transactions, and should adopt an ethics and conflicts of interest policy consistent with applicable law and standards (including fiduciary duties), and establish clear guidelines and procedures for disclosure and decision-making in conflict of interest situations.



CG Code, Clause 6.3

21. POLICY

- 21.1. Clearly documented internal policies of all business units are approved by the Board (except those falling under the exception as stated by regulators (if any)) for application across CIMB Thai and companies under CIMB Thai Group (where appropriate). The

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policies serve as day-to-day operational guides to ensure compliance with internal controls and applicable laws and regulations.

- 21.2. The policies are reviewed and updated at least once in every one (1) year or two (2) years or as and when necessary, to ensure continuous improvements in operational efficiency taking into consideration the changing industry profile on regulatory requirements, risks and internal control measures for mitigation, and new products and services. The policies are made available to all relevant employees via CIMB Thai's intranet.

22. ENVIRONMENT, HEALTH AND SAFETY

- 22.1. The Bank shall have the duty to arrange and maintain the work place and its employees in safe and hygienic working conditions and environment, and to support and promote the work operation of employees in order to prevent them from harm to life, physique, mentality and health.



Occupational, Safety,
Health and Environment
Act B.E. 2554, Section 6

23. CORPORATE RESPONSIBILITY

- 23.1. The Board should encourage the management to adopt responsible operations, and incorporate them into the Bank's operations plan. This is to ensure that every department and function in the Bank adopts the Bank's objectives, goals, and strategies, applying high ethical, environmental and social standards, and contributes to the sustainable growth of the Bank.



SEC CG Code, Clause
5.2

- 23.2. The Board should ensure that the Management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the Bank to meet its objectives.



SEC CG Code, Clause
5.3

24. REVIEW OF BOARD CHARTER

- 24.1. The Board Charter shall be reviewed periodically, especially when there are changes to the relevant laws and rules, or at least every three (3) years. This review shall be facilitated by the Company Secretary, the Chief Compliance Officer, the Chief Risk Officer and the Chief Internal Auditor.

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- 24.2. The Board shall periodically review and update the Board Charter in accordance with the needs of the Bank and any new laws and/or regulations that may have impact on the discharge of the Board's responsibilities.
- 24.3. Any updates to the principles and practices set out in this Board Charter shall be made available on the corporate website.