

**Annual Registration Statement
For the Year Ended 31 December 2015**

(Form 56-1)



CIMB Thai Bank Public Company Limited

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Part 1 Business Operation

1. Policy and Business Overview

Business Overview

The Bank is licensed by the Ministry of Finance and related authorities to engage in commercial banking, which constitutes the primary business of the Bank. In commercial banking, the Bank focuses on innovative and value-added products and services, particularly fee-based products and services such as cash management, financial advisory and treasury.

The main business areas of the Bank can be summarised as follows:

1. Commercial banking: the Bank provides a full suite of commercial banking products and services, such as deposits, loans, discounting, aval/acceptance of bills of exchange, letters of guarantee, foreign exchange trading, letters of credit, tele-banking and ATM services;
2. Insurances: life and non-life insurance brokerage as licensed by Office of Insurance Commission, Ministry of Commerce;
3. Securities businesses and other related businesses as licensed by the Office of the Securities and Exchange of Commission (SEC) and/or Ministry of Finance such as:
 - 3.1. Financial advisory;
 - 3.2. Registrar and paying agent services
 - 3.3. Debt securities dealing and underwriting ;
 - 3.4. Bondholders' representative;
 - 3.5. Brokerage, dealing and underwriting of investment unit trusts;
 - 3.6. Custodian services; and
 - 3.7. Derivatives dealing;
 - 3.8. Business consultancy; and
 - 3.9. Asset management;

In all cases, the Bank holds a stake in businesses that contribute, either directly or indirectly, towards promoting its growth.

The Bank's policy remains focused on building synergies between its strategic business units and its subsidiary and associate companies. With this in mind, the Bank intends to retain only those companies with growth potential and which are able to generate good investment returns.

The Bank's strength lies in its well-established and extensive network of domestic branches. As at 31 December 2015, the Bank operated 21 main offices with credit facilities and 123 branches, with 5 branches equipped with foreign exchanges facilities, 23 stand-alone and 2 versatile foreign exchange booths selectively concentrated in premises with high business potential.

1.1 Vision, Objectives and Corporate Value

Vision

"To be Thailand' Leading ASEAN Bank for all stakeholders"

Mission

"To be Thailand's Leading ASEAN Bank by providing innovative financial products, excellent service, and compelling cross border solutions through synergy with CIMB Group."

We are in our journey to achieve our Aspiration;

- To become Top 3 most Profitable Bank (by RoE)
- To be Market Leaders in at least 3 business segments
- To be Employer of Choice through strong brand equity driven by a high performance culture

Corporate Value

Core values reflect what is truly important for CIMB Thai. These are not values that change from time to time, situation or by person, but rather they are the foundation of our culture. It is the soul of our bank.

CTHAI:

- **Customer**
We appreciate the unique needs of each individual and organization. By putting their needs first and delivering quality solutions, we strive to create relationships of lasting value.
- **Teamwork**
We strive to deliver results by maximising our potential. We believe that true potential can only be unleashed from collaboration and teamwork.
- **Honesty**
We place a high value on integrity as professionals in a business where trust is essential. We are accountable and take responsibility for both our shortcomings and successes. This mindset allows our customers to entrust their business with us.
- **ASEAN**
As members of CIMB Group, we aspire to be the leading ASEAN bank in Thailand. It is through integration of our people, products and processes that we can bring the best ASEAN opportunities to our stakeholders.
- **Innovation**
We are always looking to improve ourselves through innovation. By constantly encouraging creativity, improving capability and identifying opportunities we are able to collectively ensure that we deliver market-leading solutions to our stakeholders.

1.2 Background and key developments

CIMB Thai Public Company Limited (the “**Bank**”) ¹ was established through the amalgamation of the Union Bank of Bangkok Public Company Limited, the 12 state-intervened finance companies² and Krungthai Thanakit Finance Public Company Limited³ pursuant to the governmental order on 14 August 1998, a Cabinet resolution of 27 October 1998 and the notification of the Ministry of Finance, dated 22 December 1998. The consolidated entity subsequently changed its name to “BankThai Public Company Limited”, a new commercial bank established on 21 December 1998. The Financial Institutions Development Fund (the “**FIDF**”) acquired a major shareholding in the Bank and subsequently, the SET approved the trading of the Bank’s ordinary shares on 30 March 2001 with “BT” designated as its stock trading sign.

Details of the Bank’s major developments are summarised below:

The Bank of Thailand (the “**BOT**”) issued an order to the Union Bank of Bangkok Public Company Limited to reduce its registered capital via a par value reduction from THB 10 per share to THB 0.01 per share, resulting in a decrease of the registered capital from THB 1.8 billion to THB 1.8 million. The Bank of Thailand then ordered Union Bank to increase its registered capital from THB 1.8 million to THB 12 billion through the issuance of increased ordinary shares totaling 1,233,220 million shares at 0.01 THB per share, all of which were allotted to the FIDF. As a result, the Bank’s registered and paid-up capital was THB 12 billion with the FIDF holding 100%. With that, the Bank’s capital funds were sufficient to facilitate the consolidation between the Union Bank of Bangkok PCL, the 12 state-intervened finance companies and Krungthai Thanakit Finance and Securities Public Company Limited, into a new commercial bank, with the FIDF being the major shareholder.

Pursuant to the resolution of the Cabinet on 27 October 1998 and the notification of the Ministry of Finance on 22 December 1998, the following steps taken were:

- transfer of all assets and liabilities of 12 finance companies to Krungthai Thanakit Finance Public Company Limited; and
- transfer of all assets and liabilities of Krungthai Thanakit Finance Public Company Limited to the Union Bank of Bangkok Public Company Limited.

¹ To register the name change to CIMB THAI Bank Public Company Limited on 1 May 2009.

² Comprises:

Nava Finance and Securities Plc.	Vajiradhanathun Finance Co., Ltd.	First City Investment Plc.
Thai Summit Finance and Securities Co., Ltd.	Erawan Trust Co., Ltd.	Ksit Finance and Securities Plc.
Mahatun Finance Co., Ltd.	Progressive Finance Co., Ltd.	Union Asia Finance Plc.
Bangkok Asian Finance Co., Ltd.	Dhana Siam Finance and Securities Plc.	IFCT Finance and Securities Plc.

³ Previously named Krungthai Thanakit Finance and Securities Public Company Limited

Upon completion of the above processes, Krungthai Thanakit Finance Public Company Limited and the other 12 controlled finance companies surrender their finance business licenses to the Ministry of Finance. The Union Bank of Bangkok Public Company Limited changed its name on 21 December 1998 to BankThai Public Company Limited.

In 1999, the Bank changed the par value of its ordinary shares from THB 0.01 per share to THB 10 per share and increased capital amounting to THB 40 billion via the issuance of non-cumulative preferred shares, of which can be converted into ordinary shares with the right to receive capital reduction upon conversion into ordinary shares for 4,000 million shares with a par value of THB 10 per share to the FIDF. The allotment was made through a private placement to the FIDF for the entire amount at a price equal to par value, i.e. THB 10 per share. The FIDF paid for 3,706.80 million shares at the price of 10 THB per share, totaling THB 37 billion. As a result, the Bank's registered capital increased to THB 52 billion and the issued shares to THB 49 billion, with the FIDF holding 100%.

Subsequently in 2000, the Bank reduced its registered capital by THB 2,932 million by canceling un-issued preferred shares and then increasing registered capital via the issuance of 260.05 million ordinary shares with a par value of THB 10 per share. The increased capital was allotted through a private placement offering to shareholders of Krungthai Thanakit Finance Public Company Limited at the price of THB 5.6184 per share. The purchase was paid with the ordinary shares of Krungthai Thanakit Finance Public Company Limited. The value of the bank's ordinary shares, as appraised by the Bank, was equal to THB 1.3566 per share, resulting in a share swap ratio of 0.2414478 the Bank's share per 1 share of Krungthai Thanakit Finance Public Company Limited. Upon completion of the share swap, the Bank's registered and paid-up capital stood at THB 52 billion with the FIDF being the major shareholder holding 5,145.3 million shares (1,438.5 million ordinary shares and 3,706.8 million preferred shares), representing 98.94% of total issued shares.

At the end of 2000, the Bank complied with the resolution with regards to the compensation of non-performing assets as approved by the Cabinet on 19 September 2000. The Bank reduced capital via the cancellation of all preferred shares and returned the total preferred share capital of THB 37 billion to the FIDF, in order to relieve the FIDF's burden and to adjust the amount of capital to an appropriate level. The Bank subsequently recorded the FIDF as a creditor and issued promissory notes to the FIDF, which were to be payable by 1 January 2006. The Bank gradually made partial repayment of THB 15 billion of the promissory notes in cash, and the remaining THB 22 billion was mutually agreed by the FIDF and the Bank to be used against the compensation of non-performing asset transactions the Bank recorded as receivables from the FIDF under a gain/loss sharing and yield maintenance agreement. The Bank had fully set off such an amount by the end of 2005.

Additionally, as the FIDF had been the sole absorber of the burden incurred from the Bank's financial difficulties and capital increase in the past, to provide an opportunity for the Bank to compensate the FIDF and to improve the Bank's business status and operations, on 9 May 2001, the Bank issued 10-year warrants to purchase its preferred shares ("**Warrants**"), totaling 3,706.80 million units and maturing on 8 May 2011 to the FIDF, at no cost. The Warrants carried transfer restrictions, and each Warrant may be converted into 1 preferred share of the Bank at THB 10 per share. The Bank increased its registered preferred share capital by 3,706.80 million shares at THB 10 per share as full reserve for the Warrants and registered the same with the Registrar of public limited companies. With that, the Bank's registered capital was equal to THB 52 billion, consisting of 1,493.45 million ordinary shares with a par value of THB 10 per share and 3,706.80 million preferred shares with a par value of THB 10 per share. The Bank's issued shares stood at THB 15 billion with the FIDF being the major shareholder holding 1,438.45 million ordinary shares, or equivalent to 96.32% of the Bank's total ordinary shares.

In 2002, the FIDF decreased its shareholding in the Bank in line with the government's privatisation policy through the disposal of 707 million of the Bank's ordinary shares held by the FIDF to the public. Accordingly, the FIDF's shareholding declined from 96.32% to 48.98% of the Bank's total shares. In terms of the Warrants issued to the FIDF, to prevent any negative impact on the Bank's share price and to limit the FIDF's holding in the Bank's shares to less than 50% of the total issued shares, the Bank's Board of Directors' meeting No. 13/2002, held on 28 August 2002, passed a resolution to cancel the Warrants by buying them back from the FIDF. Subsequently, on 23 September 2002, the

Bank entered into a Warrant buyback option agreement with the FIDF (the “**Agreement**”). The Bank paid a total of THB 300 million to the FIDF for its reacquisition rights.

On 16 February 2007, the Bank’s Board of Directors passed a resolution ratifying the accrual of the Warrants buyback transaction at a total price of THB 1 billion plus interest of THB 111.18 million (a total of THB 1 billion, retrospectively, and effective until 31 December 2006, and the recording of the buyback transaction was made directly against the Bank’s deficit with the corresponding credit of amounts due to FIDF in the 31 December 2006 financial statements.

After obtaining approval from the Extraordinary General Meeting of Shareholders No. 1/2007, held on 30 May 2007, the Bank repurchased and canceled its Warrants by way of a payment to the FIDF of THB 1 billion (inclusive of interest calculated from 1 January 2007 – 30 May 2007 of THB 16 million), recorded on the balance sheet, and increasing registration via the cancellation of preferred shares and all remaining unsold shares (3,706.8 million shares) on 12 July 2007.

Additionally, in 2007 the Board of Directors’ approved the sale of 556.23 million new ordinary shares to investors, i.e. Newbridge Sukhothai Netherlands B.V (“**Newbridge**”), representing approximately 24.99% of the total paid up shares at the price of THB 4.17 per share, for a total amount of THB 2 billion, and to Blum Strategic III BT Hong Kong Limited, and MSOF Hong Kong BT Limited for a total of 175.23 million shares or 7.90% of the total paid-up capital at the price of THB 4.17 per share, for a total amount of THB 730.69 million. The Annual General Meeting of Shareholders No.13 (2007) approved a whitewash to the abovementioned investors, and approved a capital reduction via the reduction of par value from THB 10 per share to THB 3.75 per share. On 13 November 2008, Newbridge Sukhothai Netherlands B.V., Blum Strategic III BT Hong Kong Limited and MSOF Hong Kong BT Limited acquired the shares of the Bank, representing approximately 36.74%, 3.95% and 1.31% of the total paid-up shares, respectively.

On 20 June 2008, the FIDF entered into a share purchase agreement with CIMB Bank. Under the agreement, the FIDF agreed to sell its 2,811.86 million shares in the Bank (equivalent to 42.13% of the total and paid up shares of the Bank) at the price of THB 2.10 per share, totaling of THB 6 billion.

5 November 2008, upon necessary approvals from the BOT, the Ministry of Finance and other regulatory authorities, CIMB Bank completed its purchase of ordinary shares from the FIDF, and as a result, emerged as the largest shareholder of the Bank with a shareholding of 42.13%. On 17 November 2008, the Bank was notified that CIMB Bank would undertake a tender offer to purchase all the remaining shares of the Bank it did not own (3,862.83 million shares or 57.87% of the total issued and paid-up shares of the Bank) at the price of THB 2.10 per share, which was equivalent to a total consideration of THB 8 billion. Upon completion of the tender offer on 6 January 2009, CIMB Bank’s shareholding in the Bank had increased to 6,143.54 million shares, representing 92.04% of the total issued and paid-up shares of the Bank.

On 3 September 2008, the Extraordinary General Meeting of Shareholders No.2/2008 approved an increase in the registered capital, from THB 25 billion to THB 50 billion by issuing 6,674.70 million new ordinary shares with a par value of THB 3.75 each.

On 20 February 2009, the Extraordinary General Meeting of Shareholder No. 1/2009 approved to make an amendment on the resolution of Extraordinary General Meeting of Shareholders No. 2/2009 subjected to the previous stipulated offering price not lower than THB 0.66 per share amended to THB 0.38 per shares and approved the transfer of THB 6,053.48 million from the Bank’s legal reserves to offset its deficit and approved a capital reduction via the reduction of par value from THB 3.75 per share to THB 0.50 per share. The premium arising from the capital reduction exercise was used to offset the share discount and the deficit respectively. After such capital reduction, the registered share capital of the Bank was reduced from THB 50,060.25 million to THB 6,674.70 million. Post share offering to the existing shareholders in proportion to the number of shares for the capital increase purpose, the existing shareholders had fully booked the shares issued and offered totaling 6,674.70 million shares or total value of THB 3 billion. After the completion of share offered on 18 March 2009, CIMB Bank hold the total of THB 12,435.06 million shares or 93.15% of the total shares issued and offered, and registered the name on change from BankThai Public Company Limited to CIMB THAI Bank Public Company Limited on 1 May 2009. with “CIMBT” designated as its stock trading sign.

On 29 April 2010, the Annual General Meeting of Shareholders No.16 approved an increase in the registered capital, by THB 1,483.27 million from THB 6,674.70 million to THB 8,157.97 million by issuing 2,966.53 million new ordinary shares with a par value of THB 0.50 each to existing shareholders, in proportion to each shareholding at the ratio of 2 new shares for 9 existing share held, at a price of THB 1.00 per share. After the completion of share offered on 15 October 2010 CIMB Bank holds 15,198,.42 million shares, or equivalent to 93.15 percent of total issued and offered shares of the Bank.

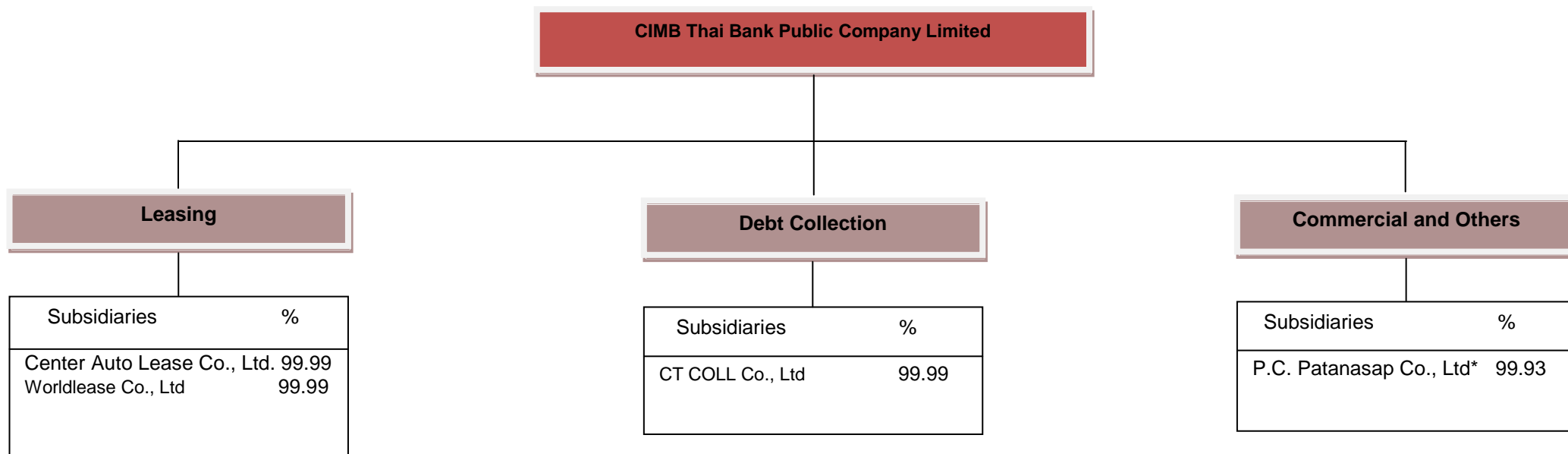
On 12 April 2012, the Annual General Meeting of Shareholders No.18 approved an increase in the registered capital from THB 8,157.97 million to THB 13,052.74 million by issuing 9,789.56 million new ordinary shares with a par value of THB 0.50 per share. Later on, the Bank issued another 4,894.78 million new ordinary shares with a par value of THB 0.50 per share offered to the existing shareholders in proportion to their shareholding at the ratio of 3 new shares for 10 existing shares held, at a price of THB 1.00 per share. After the completion of share offering on 27 July 2012, CIMB Bank holds 19,757.95 million shares, or equivalent to 93.71% of total issued and offered shares of the Bank.

On 12 April 2012, the Annual General Meeting of Shareholders No. 18 approved the Bank's increase in registered capital by issuance of 4,894,780,426 Rights Shares and 4,894,780,426 General Mandate Rights Shares, totaling 9,789,560,852 shares. Of such total, 4,768,943,269 Rights Shares were sold, leaving 125,837,157 Rights Shares unsold, while 4,894,780,426 General Mandate Rights Shares have remained unoffered. In total, there were 5,020,617,583 ordinary shares remaining unsold and unoffered.

Later, on 11 April 2014, the Annual General Meeting of Shareholders No. 20 approved the Bank's cancellation of 125,837,157 unsold Rights Shares and 4,894,780,426 unoffered General Mandate Rights Shares, totaling 5,020,617,583 unsold and unoffered shares approved by the Annual General Meeting of Shareholders No. 18 held on 12 April 2012. The Annual General Meeting of Shareholders No. 20 held on 11 April 2014 also approved the decrease in the Bank's registered capital from THB 13,052,747,804 to THB 10,542,439,012.50 by cancelling 5,020,617,583 unsold and unoffered registered ordinary shares with a par value of THB 0.50 per share, totaling THB 2,510,308,791.50. After the decrease in registered capital, the Bank's registered capital is THB 10,542,439,012.50, divided into 21,084,878,025 shares with a par value of THB 0.50 per share.

On 10 April 2015, the Annual General Meeting of Shareholders No. 21 approved an increase in the the Bank's registered capital by THB 3,162,731,703.50 from THB 10,542,439,012.50 to THB 13,705,170,716.00 by issuing 6,325,463,407 General Mandate Right Shares with a par value of THB 0.50 per share offered to the existing shareholders in proportion to their shareholding at the ratio of 40 existing shares held for 7 new shares at a price of THB 1.00 per share. Of such total, 3,689,853,654 Rights Shares were sold, leaving 2,635,609,753 General Mandate Rights Shares remaining unoffered.

3. The Corporate Structure of the Bank and its Subsidiaries (as of 31 December 2015)



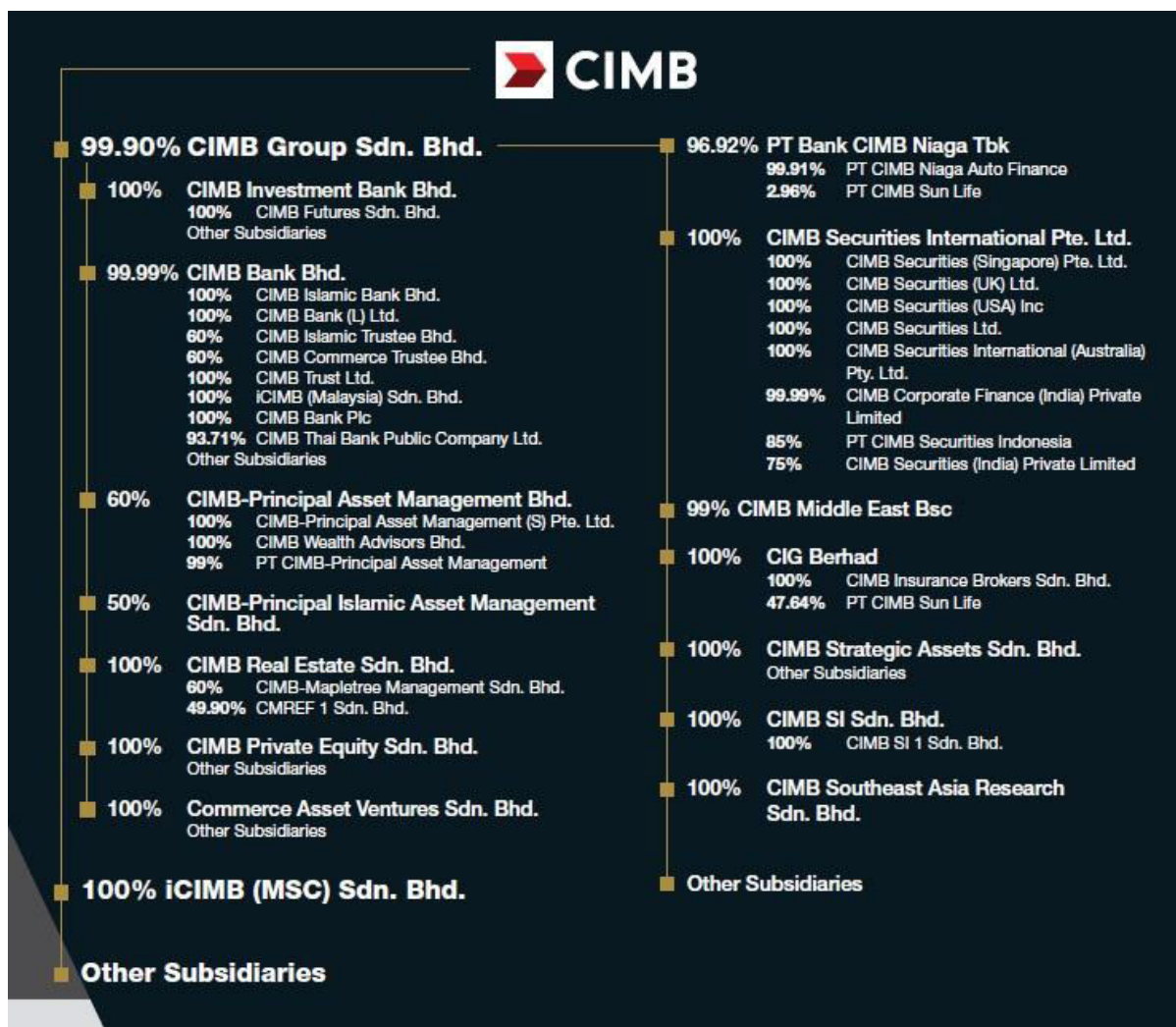
Remark * Under liquidation

1.4 Relationship with Major Shareholder

CIMB Group by CIMB Bank Berhad is the major shareholder of CIMB Thai. Headquartered in Kuala Lumpur, the Group is Malaysia's second largest financial services provider, and ASEAN's five largest by asset size. As a universal banking group, it offers consumer banking, corporate banking, investment banking, Islamic banking, asset management, wealth management and insurance products and services. The Group is now present in nine out of ten ASEAN nations (Malaysia, Indonesia, Thailand, Singapore, Cambodia, Brunei, Vietnam, Myanmar and Laos). Beyond ASEAN, CIMB Group has market presence in China & Hong Kong, Bahrain, India, Sri Lanka, Taiwan, Korea, United States and United Kingdom.

Leveraging on the universal banking franchise of CIMB Group, with over 1,000 branches and strong regional expertise in financial solutions across ASEAN, CIMB Thai reaps opportunities via cross-border business matching, supply chain networking and referrals.

Structure of CIMB Group's Shareholding (As of 31 December 2015)



2. Nature of the Business

2.1 Revenue structure of the Bank and its Subsidiaries

2.1.1 CIMB Thai Bank Public Company Limited

2.1.1.1 Total operating income

(Unit: THB Million)

	For the years ended 31 December					
	2015	%	2014	%	2013	%
Interest income						
1. Interest on loans	11,343.1	110.8	10,767.3	125.2	9,317.4	109.6
2. Interest on interbank and money market items	73.3	0.7	150.5	1.7	282.9	3.3
3. Investments	1,598.2	15.6	1,535.3	17.9	1,424.3	16.8
4. Others	11.1	0.1	7.6	0.1	3.4	0.0
Total interest income	13,025.7	127.2	12,460.7	144.9	11,028.0	129.7
Interest expenses						
1. Deposits	3,893.4	38.0	3,922.9	45.6	3,637.4	42.8
2. Interest on interbank and money market items	338.1	3.3	327.3	3.8	376.9	4.4
3. Contribution fee to The Deposit Protection Agency and FIDF	1,001.8	9.8	928.4	10.8	791.0	9.3
4. Debt securities issued and borrowings	852.9	8.3	838.4	9.8	977.8	11.5
5. Others	55.2	0.5	11.3	0.1	11.8	0.1
Total interest expenses	6,141.4	59.9	6,028.3	70.1	5,794.9	68.1
Net interest income	6,884.3	67.3	6,432.4	74.8	5,233.1	61.6
Operating income	3,350.8	32.7	2,167.5	25.2	3,268.3	38.4
Total income	10,235.1	100.0	8,599.9	100.0	8,501.4	100.0

2.1.1.2 Non- Interest income

(Unit: THB Million)

	For the years ended 31 December					
	2015	%	2014	%	2013	%
Fee and service income	1,374.9	41.0	1,236.4	57.1	1,160.0	35.5
Fee and service expenses	319.3	9.5	296.5	13.7	220.0	6.7
Net fee and service income	1,055.6	31.5	939.9	43.4	940.0	28.8
Gains on trading and foreign exchange transactions, net	1,819.4	54.3	1,804.9	83.3	714.3	21.8
Losses on financial liabilities at fair value through profit or loss, net	(458.2)	(13.7)	(1,093.7)	(50.5)	(100.8)	(3.1)
Gains on investments, net	551.0	16.5	329.5	15.2	316.9	9.7
Gain sharing from the management of the non-performing loans by Thai Asset Management Corporation	-	-	-	-	1,101.7	33.7
Other operating income	383.0	11.4	186.9	8.6	297.2	9.1
Non-interest income	3,350.8	100.0	2,167.5	100.0	3,268.3	100.0

2.1.2 CIMB Thai's Subsidiaries

(Unit: THB Million)

	For the years ended 31 December					
	2015	%	2014	%	2013	%
1. Center Auto Lease Co., Ltd.						
Interest income	1,443.7	123.8	1,274.2	127.4	992.7	134.3
Interest expense	526.7	45.2	495.5	49.5	405.1	54.8
Net interest income	917.0	78.6	778.7	77.9	587.6	79.5
Operating income	248.8	21.4	221.3	22.1	151.6	20.5
Total income	1,165.8	100.0	1,000.0	100.0	739.2	100.0
2. World Lease Co., Ltd.						
Interest income	871.1	100.7	908.7	109.8	912.2	108.2
Interest expense	196.4	22.7	233.9	28.3	225.0	26.7
Net interest income	674.7	78.0	674.8	81.5	687.2	81.5
Operating income	190.6	22.0	152.7	18.5	155.7	18.5
Total income	865.3	100.0	827.5	100.0	842.9	100.0
3. CT Coll Co., Ltd.						
Interest income	1.2	2.0	1.1	1.2	0.8	0.9
Interest expense	0.2	0.3	0.2	0.2	0.2	0.2
Net interest income	1.0	1.7	0.9	1.0	0.6	0.7
Operating income	58.8	98.3	95.0	99.0	86.0	99.3
Total income	59.8	100.0	95.9	100.0	86.6	100.0

2.2 Nature of Products and Services

Wholesale Banking Group

Corporate Banking

Corporate Banking Group (CBG) of CIMB Thai provides financial services to a diverse range of business sectors, for example, commercial, manufacturing, property development and transportation. As most clients have had a long-time relationship with the Bank, we perform as their strategic business partners that help and support them toward a strong and sustainable business growth. We also offer the clients business and investment opportunities through CIMB Group's regional network.

In 2015, the Thai economy expanded marginally and in a slow recovering pace due to several significant factors, such as the global economic slowdown, currency fluctuations, prevailing droughts and continued farm price drops, which prompted cautious stances in both the clients' business expansion and the Bank's credit consideration. We accordingly adjusted our income model to emphasise more on growing fee income proportion to compensate for the lending income that carries risk and requires high capital. Meanwhile, we made significant improvement on the quality of our lending portfolio by adopting the criteria of lending to corporate clients with good credit rating, being in low risk industry, and generating recurring income from cross-selling of products and transactions. For example, we focus on big projects that generate comprehensive income including interest income, fee income, financial advisory income and others, such as income from transactional banking, derivatives, hedging, and equity and debt underwriting, to well respond to clients' needs on a full-fledged basis.

In 2015, Wholesale Banking Group (WBG), covering Corporate Banking and Investment Banking, delivered total revenue growth of approximately 16% with an increase in non-net interest income (Non-NII) proportion from 36% to 47% to total revenues. This reflected the efficiency in asset utilization as WBG took a cautious stance in lending with less focus on loan growth amidst the economic uncertainties. The focus was shifted to generating fee income through upgrading our services as the main bank for specific major groups which generate significant income to the Bank,

and also to supporting our clients' business expansion in ASEAN under the wholesale banking theme "Be More Relevant to Important Clients and Accelerate Our ASEAN Initiatives."

In addition to on-shore income generation, WBG was evidently successful in expanding the business to other countries in ASEAN through the Bank's role as a member of CIMB Group which has strengths in capital, professionals and partnering network in ASEAN. WBG completed business deals with big corporate clients who had high levels of investments both locally and regionally especially in ASEAN as we provided solutions and services that met their expectations. The Bank worked closely with CIMB Group and continuously expanded income base in other countries for the Group with a high off-shore income growth of 73%.

From 2016 onwards, CBG will put emphasis on continuing growth, maintaining asset quality, pulling down the cost-to-income ratio, and generating recurring income. In addition, through synergistic cooperation within CIMB Group, we will continue to support our clients' business expansions in ASEAN and drive more inbound investments from foreign clients.

Investment Banking

2015 was a year of significant changes for Investment Banking Group (IBG). There were changes organisation structure by merging Corporate Finance and Equity Capital Markets Group with Investment Banking Group, and in key personnel with forming of a new team composed of professionals with expertise and experience in this business.

Amidst the economic volatility throughout the past year, several target clients slowed their merger and acquisition (M&A) transactions and/or their plans of listing on the stock exchange pending more favorable economic conditions. However, the team continued working on related processes in preparation for achieving each transaction looking forward to 2016 when several big transactions were expected.

In the fourth quarter of 2015, IBG successfully pushed through a transaction where the Bank performed as a lead underwriter of WHA Business Complex Freehold and Leasehold Real Estate Investment Trust (WHABT REIT) with an issue size of THB 2,020 million.

The past year also witnessed the Bank's continued transformation after incorporating Corporate Banking Group and Investment Banking Group under Wholesale Banking Group. The Bank recruited additional personnel with expertise in investment banking to better address upcoming business challenges. The Bank also reinforced the teams by collaborating with CIMB Group in having sector specialists available to provide knowledge and insights of each industry so that we could offer comprehensive financial services including strategic advisory services to our clients. As a result, we managed to strengthen relationships with and add value to the clients while enhancing competitiveness through innovative financial products.

The collaboration among Corporate Banking Group, Investment Banking Group and CIMB network in ASEAN will result in a synergy contributing to the Bank's role as an important bank to our important clients, another step forward to being the clients' business partners in achieving their ASEAN aspirations.

Key successful deals in 2015 included:

Debt Markets	Role	Issue Size (THB mil)
Bank of Agriculture and Agricultural Cooperatives	Joint Lead Arranger	28,000
Bank of Agriculture and Agricultural Cooperatives	Joint Lead Arranger	20,000
TPI Polene Public Company Limited	Lead Arranger	15,555
Bank of Agriculture and Agricultural Cooperatives	Joint Lead Arranger	10,000
Mitr Phol Sugar Corporation Limited	Joint Lead Arranger	7,100
TPI Polene Public Company Limited	Lead Arranger	6,000
State Railway of Thailand	Lead Arranger	5,300
State Railway of Thailand	Lead Arranger	4,227
Bangkok Mass Transit Authority	Joint Lead Arranger	4,000

Debt Markets	Role	Issue Size (THB mil)
Quality Houses Public Company Limited	Joint Lead Arranger	4,000
Metropolitan Electricity Authority	Joint Lead Arranger	4,000
Central Pattana Public Company Limited	Joint Lead Arranger	3,600
SC Asset Corporation Public Company Limited	Joint Lead Arranger	3,000
Easy Buy Public Company Limited	Co-Arranger	2,500
State Railway of Thailand	Joint Lead Arranger	2,366
Srisawad Power 1979 Public Company Limited	Joint Lead Arranger	2,000
Toyota Leasing (Thailand) Company Limited	Joint Lead Arranger	2,000
Thai ORIX Leasing Company Limited	Joint Lead Arranger	2,000
Ananda Development Public Company Limited	Joint Lead Arranger	2,000
Bangkok Dusit Medical Services Public Company Limited	Joint Lead Arranger	2,000
Krungthai Card Public Company Limited	Joint Lead Arranger	2,000
Ticon Industrial Connection Public Company Limited	Joint Lead Arranger	2,000
Srisawad Power 1979 Public Company Limited	Joint Lead Arranger	2,000
Easy Buy Public Company Limited	Joint Lead Arranger	2,000
Krungthai Card Public Company Limited	Joint Lead Arranger	2,000
Tisco Tokyo Leasing Company Limited	Joint Lead Arranger	1,000
M.K. Real Estate Development Public Company Limited	Lead Arranger	1,000
Prinsiri Public Company Limited	Joint Lead Arranger	600
Prinsiri Public Company Limited	Joint Lead Arranger	500
Lalin Property Public Company Limited	Joint Lead Arranger	500
Krungthai Card Public Company Limited	Joint Lead Arranger	385
Asia Sermkij Leasing Public Company Limited	Joint Lead Arranger	300
SC Asset Corporation Public Company Limited	Joint Lead Arranger	300
Tirathai Public Company Limited	Joint Lead Arranger	200
SC Asset Corporation Public Company Limited	Joint Lead Arranger	130
Thitikorn Public Company Limited	Joint Lead Arranger	120

Capital Markets	Role	Deal Size (THB mil)
Jasmine Broadband Internet Infrastructure Fund (JASIF)	Selling Agent	55,000.00
Star Petroleum Refining Public Company Limited (SPRC)	Co-Underwriter	15,617.84
The Platinum Group Public Company Limited (PLAT)	Co-Underwriter	5,180.00
Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust (AMATAR)	Selling Agent	3,578.90
Bangkok Ranch Public Company Limited (BR)	Co-Underwriter	3,171.52
WHA Business Complex Freehold and Leasehold Real Estate Investment Trust (WHABT)	Lead Underwriter	2,020.00
Scan Inter Public Company Limited	Co-Underwriter	1,500.00
Taokaenoi Food & Marketing Public Company Limited (TKN)	Co-Underwriter	1,440.00
PM Thoresen Asia Holdings Public Company Limited (PMTA)	Lead Underwriter	637.56
Raja Ferry Port Public Company Limited (RP)	Co-Underwriter	465.00

Commercial Banking Group

Commercial Banking Group (CMG) serves customers from family-owned SMEs to mid-sized corporations with the expertise of our bank staff and through our business centres in strategic locations nationwide. We provide our customers with a full range of financial products and services, comprising working capital credit lines, trade finance products, and hedging solutions via treasury products. With the official implementation of the ASEAN Economic Community (AEC), CMG would also encourage and help our customers expand their businesses into ASEAN through our strong and well-established network across the region.

For the past few years, CMG has recorded positive growth in terms of asset size and income generation. In 2015; however, due to economic volatility, we adopted a policy of maintaining and

stabilising our loan portfolio with the year-ending loan balance of THB 51 billion. Looking forward to 2016, we have planned to attach more importance to strengthening our business base, with priorities given to portfolio quality, revamp of current work platform, and growing loans in sectors and locations with high business potential in order to better serve our customer needs and build a sustainable growth in commercial banking operation of the Bank.

Retail Banking

2015 was a year of notable achievements for CIMB Thai's Retail Banking Group (RBG). We expanded our customer base in the affluent segment with offering of a variety of investment unit and bancassurance products by our strong teams composed of branch sales and relationship officers and managers who provide our customers with advisory services just like we are their investment advisors to optimise their benefits. Moreover, we continued to improve our service availability, product fulfillment and customer touch point through partnership with AIS and 7-Eleven in rendering such differentiated products and services as deposit account opening at AIS shops, and launch of CIMB Thai Smart Point card, a two-in-one ATM and e-wallet card that allows customers to make cashless payment at all 7-Eleven stores nationwide. We have also been preparing our system and platform to offer innovative digital off-site sales and services, such as off-site loan origination, credit card sales, etc., to provide more convenience and time-saving for our customers.

In view of overall retail banking performance in 2015, consistent growth was recorded for wealth product sales as follows: (data as of 31 December 2015)

- Total mutual fund outstanding amount in 2015 was approximately THB 26,500 million, a 46% growth compared with that in 2014.
- IPO bond sales volume was doubled or 101% growth to more than THB 26,700 million from 2014.
- Structured debenture sales volume increased by 0.02% from 2014 to total THB 8,200 million.
- Bancassurance product sales grew by 18% from the previous year to THB 1,700 million.

Transaction Banking

CIMB Thai's Transaction Banking Group (TBG) offers an array of services including cash management, trade finance and securities services. Our team is composed of bankers highly experienced in providing advisory and tailored solutions to clients to help them manage their day-to-day banking requirements and optimise their operations leveraging on the Bank's services and technology.

2015 was a year in which TBG continued our transformation, product development, and system and technology development to be in line with the transformation of the Bank, especially in product development where our team has customised in order to match with clients' needs, and also in client service area where we have improved the workflows, after-sales services and customer information system in order to make the team ready for taking care of the increasing number of clients in the future, particularly any clients with potential to expand their business and investment into ASEAN or any clients from other countries in ASEAN who would like to invest or do their business in Thailand. Our team's priorities were still to build a longer term strategy of new products and services leveraging on CIMB Group's strong regional presence and know-how in order to provide differentiated solutions to our clients, and fill in the gap in our value proposition to ensure the Bank's transaction banking services' competitiveness in both local and regional markets. We have continued to further deepen our relationship with the existing clients across the country physically through our branch network and virtually via our internet banking platform for a more comprehensive client coverage.

Cash management and trade finance products and services from CIMB Thai are diverse aiming to manage clients' risks and serve their working capital requirements. Our internet banking solution, i.e. BizChannel, makes available to the clients an efficient access to our transactional services. Services and channel introduced so far to our clients including Trade Finance Quick Guarantee and Cheque Payment Centre at CIMB Thai's Head Office to serve our corporate clients in making payments to their suppliers in an efficient way, have been in clients' demand, especially in respect of cheque outsourcing the transaction volume of which has been increasing successively from 2014. Moreover, for trade finance in relation to government agencies, we have developed our system to support

electronic payment system and issuance of letter of guarantee as part of the transaction process in the e-Government Procurement (e-GP) of the Comptroller General's Department, Ministry of Finance.

Regarding securities services, CIMB Thai currently holds the following licenses: Registrar, Bond Representative, Fund Supervisory and Custodian. Under these licenses, we offer a complete range of securities services such as bondholder representative, registrar & paying agent, custodian, agency and safekeeping services. Securities services offered to our clients are fully supported by a strong technology platform that provides both efficiency and flexibility, and our dedicated team committed to offering solutions to meet our clients' complex requirements.

Assets under custody involved the following transactions carried out by the Bank as of 31 December 2015:

- (a) Bondholders' representative for 38 debenture transactions valued at THB 86,935 million
- (b) Securities registrar and paying agent for 18 common stocks, 167 corporate bonds, and four government bonds, with total value of THB 184,080 million
- (c) Long term facility agent and security agent valued at THB 29,690 million

Treasury Group

2015 was another successful year for CIMB Thai's Treasury Group (TG). We grew revenue consistently and at a rate above the budget despite the slowing economy and volatile environment. Our achievements were attributable mainly to active collaboration among staff within and across business units in CIMB Thai and across CIMB Group, leveraging on our strong ASEAN network.

With professionalism in innovating products and services that suit customers' risk profiles and needs, we have gained acceptance from our customers, and garnered 13 awards for hedging products and services from ASIAMONEY Polls, as below:

1. The Best Foreign FX Provider for Overall FX Services
2. The Best Foreign FX Provider for FX Options
3. The Best Foreign FX Provider for FX Products and Services
4. The Best Foreign FX Provider for FX Research and Market Coverage
5. Overall Best for Credit in Thailand
6. The Best for Credit Services in Thailand
7. The Best for Credit Research and Market Coverage in Thailand
8. The Best for Credit Sales in Thailand
9. The Best for Credit Derivatives in Thailand
10. Overall Best for Interest Rates in Thailand
11. The Best for Interest Rate Research in Thailand
12. The Best for Interest Rate Products & Sales in Thailand
13. The Best for Interest Rate Derivatives in Thailand

In 2015, TG's structured product team earned recognition as "The Best Structured Product House in Thailand" for the second straight year, while our institutional sales team won "The Best Local Currency Bond Individual in Research, Sales and Trading for 2015" award from The Asset magazine. Our foreign exchange trading team was also rated as "The Best Foreign Currency Liquidity Provider in Thailand" by Thomson Reuters.

Meanwhile, we ranked the 2nd in debt underwriting league table published by Bloomberg and were among the top 5 most active bond houses ranked by Thai Bond Market Association.

Looking forward, 2016 will be a challenging year for treasury operation, given the official integration of ASEAN Economic Community (AEC). With our aim to be the company of choice for customers with ASEAN aspirations and as the 'ASEAN Bank for You,' we have set up a new team, namely Regional Business and e-Treasury Product Team, to better serve our customers in their business endeavours under the AEC.

CIMB Thai's TG will remain committed to developing innovative products and services to fulfil our customer needs in both risk management and returns management with professionalism and with the ever changing business environment taken into consideration.

2.3 Market Shares and Competitions

Competitive Environment - Market Shares						Unit (THB/Million)
BANK	Asset	Marketshare	Deposit	Marketshare	Loan	Marketshare
BANGKOK BANK	2,835,852	18.1%	2,090,965	18.6%	1,868,903	17.0%
KRUNG THAI BANK	2,815,333	18.0%	2,135,499	19.0%	2,027,440	18.5%
KASIKORN BANK	2,555,305	16.3%	1,705,379	15.2%	1,609,887	14.7%
SIAM COMMERCIAL BANK	2,774,309	17.7%	1,890,729	16.8%	1,833,406	16.7%
BANK OF AYUDHYA	1,705,517	10.9%	1,046,290	9.3%	1,303,454	11.9%
TMB BANK	838,937	5.4%	644,694	5.7%	580,776	5.3%
THANACHART CAPITAL	997,581	6.4%	669,454	5.9%	714,628	6.5%
TISCO FINANCIAL GROUP	280,294	1.8%	158,125	1.4%	238,260	2.2%
KIATNAKIN BANK	236,144	1.5%	104,327	0.9%	177,966	1.6%
CIMB THAI BANK	304,621	1.9%	170,217	1.5%	198,607	1.8%
Others*	322,870	2.1%	637,310	5.7%	433,977	3.9%
Total	15,666,763		11,252,988		10,987,305	

Source: Commercial Bank's consolidated financial statement as of December 2015

2.4 Provision of Products and services

Source of Funding

As at 31 December 2015, deposits managed by the Bank stood at THB 183.0 billion (including interbank and money market deposits), whilst borrowings (including interbank and money market borrowings) amounted to THB 56.4 billion. Of that total, 82.3% was used for gross loans including accrued interest, while the balance was applied towards interbank items, money market transactions and investments. The Bank has been fully aware of its liquidity gap in each period, and has a policy in place for acquiring and utilising funds in an efficient and effective manner.

Comparing the Bank's loans and deposits, total gross loans with maturity of not more than one year stood at THB 75.9 billion while loans with maturity of more than one year amounted to THB 130.9 billion. Meanwhile, deposits with maturity of not more than one year stood at THB 181.2 billion and those with maturity of over one year amounted to THB 1.8 billion.

Capital Adequacy Ratio

The Bank's capital adequacy ratio (CAR), common equity tier 1 (CET1) capital and tier 1 capital are calculated under Basel III criteria to increase capital base for better loss absorption. As at the end of December 2015, the Bank's CAR under Basel III calculation was 15.5%, while CET1 capital and tier 1 capital were 10.8% and 10.8%, respectively. The Bank has maintained a robust capital well above the Bank of Thailand's minimum requirement of 8.5%, 4.5% and 6.0% of CAR, CET1 and tier1 capital ratios, respectively.

(Unit: THB billion)

Capital Funds	31 December 2015	31 December 2014	31 December 2013
Tier 1 capital	24.7	21.0	19.6
CET1 capital	24.7	21.0	19.6
Tier 2 capital	10.7	10.7	8.3
Total capital funds	35.4	31.7	27.9
Tier 1 capital to risk-weight assets (%)	10.8	9.9	9.9
CET1 capital to risk-weight assets (%)	10.8	9.9	9.9
Tier 2 capital to risk-weight assets (%)	4.7	5.1	4.2
Capital adequacy ratio (%)	15.5	15.0	14.1
Total risk-weight assets	229.0	211.5	198.0

Liquidity Risk Management Policy

Liquidity risk is defined as the risk of the Bank's inability to meet its present and future funding needs on a timely basis, as a consequence of being unable to convert assets into cash or being unable to obtain adequate funding on time. The Board of Directors and the senior management of the Bank take a very important role in managing the Bank's liquidity. The Board has delegated its authority to the Asset and Liability Management Committee (ALCO) to supervise all business units, including Treasury Group, to handle the Bank's liquidity. The Committee pro-actively and dynamically manages the Bank's balance sheet through monthly and ad hoc meetings. The Bank also has Risk Management Group to propose Liquidity Risk Management Policy for the Board's approval, and Treasury Group to regularly review liquidity risk. To ensure proper and prudent liquidity management, the policy also applies to the Bank's subsidiaries.

The Bank will continue to emphasise and improve its retail customer acquisition to match its assets expansion. Its liquidity management strategy is to drive the accumulation of current accounts and saving accounts (CASA), as well as retail fixed deposits as more economical and stable sources of funding, while using the more price sensitive corporate deposits, bills of exchange, short-term debentures, and structured debentures as a means to balance out the funding and liquidity of the Bank. The Bank has designated teams of employees to be responsible for the proper marketing strategy for each segment and to strengthen the Bank's relationship with the clients to sustain long-term deposit growth. In addition, the Bank has in place an early warning system which is closely monitored, together with a contingency funding plan, to alert and enable the management to take effective and efficient measures during a liquidity crunch and in prevailing adverse market conditions.

Collateral Policy

In the Bank's lending policies, the primary basis of assessing the creditworthiness is the borrower's ability to repay loan obligations, most often from cash flows generated through normal business operations and other primary sources of repayment. Nevertheless, collateral also represents an important component of many credit transactions because it will be the secondary source of repayment and will help alleviate loss in the event of default. Among the different types of collateral which the Bank accepts are deposits, government bond, debt and equity instruments, land, construction and machinery, etc. The loan to collateral value ratio will vary based upon the risk level of each credit product, the borrower's creditworthiness and liquidity of collaterals. The Bank has established a collateral valuation policy to ensure effective risk management as well as to comply with Bank of Thailand's guidelines. When the collateral is taken, it is important to follow the Bank's policy comprising, among others, valuation policy and valuation frequency.

Debt Monitoring Policy and Follow-up Procedures

The Bank has set up the guidelines for closely managing and monitoring watch-list and problem loan accounts in order to speedily resolve its problem loans and standardise the problem loan monitoring process. The guidelines prescribe a monitoring process for watch-list accounts, special mentioned and substandard or worse accounts and the guidelines will be revised periodically to ensure their effectiveness and relevance. In addition to mandatory debt classification in accordance with the Bank of Thailand's guidelines, the Bank has established additional qualitative criteria for early classification of debt with signs of deterioration prior to default. For pre-NPL accounts to be effectively managed, the early warning process has been set up as guidelines for relationship managers to take early action in identifying accounts with potential problem and develop proper action plan to timely solve the problem so that risk to the Bank can be mitigated. The accounts with potential problems are put under watch list classified by degree of their problem and risk level into three groups, i.e. watch list – low, watch list – medium and watch list – high. The accounts under watch list – low remain under normal class while those under watch list – medium and high are classified as special mention. These pre-NPL as well as NPL accounts with TDR not yet finalised and with exposure more than THB 10 million are regularly reported to Problem Loan Working Group (PLM). PLM has been set up to closely monitor development of pre-NPL accounts, NPL accounts with TDR not yet finalised and other accounts requiring close attention, and provide guidance to relationship managers on proper actions to be taken against these pre-NPL accounts to quickly and effectively solve the problem before they

become NPL, as well as to provide proper solution for debt restructuring of NPL accounts to minimise loss and maximise recovery to the bank.

Debt Restructuring Policy

The Bank has set a policy to undertake debt restructuring for borrowers who have cooperated with the Bank as well as have had potential to comply with the conditions newly agreed upon. The objective of the policy is to ensure that the Bank and the borrowers have mutually benefited from the debt restructuring, that is, the Bank has maximum opportunity to recover debt or has minimum possible loss, while the borrowers are able to continue their business with incurrance of some loss on their part. The Bank will undertake debt restructuring work in accordance with the Bank of Thailand's regulations and such work will be undertaken prudently so that it does not avoid the requirements regarding debt reclassification, additional provisioning and suspension of income recognition of accrued interest.

Debt restructuring is undertaken taking into consideration the criteria, process and method provided for debt restructuring process, including debtor analysis, approval, preparation of agreement, follow-up and assessment. Such process must be in compliance with the applicable rules and regulations of the authorities and the Bank. The responsibility for coordinating debt restructuring activities lies primarily with the internal work unit of the Bank. However, a certified and experienced third party specialised in this area may be assigned to provide financial advisory services or undertake debt restructuring for the Bank. However, debt restructuring conditions are subject to approval of the Board or the Credit Committee or other persons as authorised by the Bank.

Policy on Asset Classification and Loan Loss Provision

The Bank has complied with the Bank of Thailand's regulations which require asset classification and loan loss provision at the rate for each asset category as prescribed by Bank of Thailand Notification No. SorNorSor. 31/2551 regarding criteria for debt classification and provisioning of financial institutions, dated 3 August 2008 or as may be amended by the Bank of Thailand from time to time. However, the Bank's internal guidelines are more stringent than the regulatory requirements, with combination of the qualitative and quantitative criteria prescribed by the Bank of Thailand, and prudent adoption of a final classification which is based on the weaker result of the two sets of criteria to reflect real risk level of the debtor.

In addition to the specific provision, the Bank may set aside general provision as appropriate in order to be a buffer against any unexpected losses from economic cycle, etc.

3. Risk Factors

Risk Management Overview

CIMB Thai focuses on sound and effective risk management principles in ensuring not only the financial soundness and integrity but also sustainability of the organisation. The risks to which a bank is particularly exposed in the conduct of businesses are credit risk, market risk, liquidity risk, operational risk and strategic risk. The Bank's undertakings of risk management and mitigation include risk identification, measurement, monitoring and managing under a robust risk management framework, in which returns must be commensurate with the risks taken.

Board Risk Committee (BRC) has been appointed by the Board of Directors to ensure independent and greater risk governance and accountability for all types of risks and to report directly to the Board of Directors. BRC is composed of four members in total, three out of whom are members of the Board of Directors. The Risk Management Committee (RMC) has also been appointed by the Board of Directors having four sub-committees with responsibilities to review and recommend to RMC in various risk areas, i.e. Credit Risk Committee responsible for credit risk related matters, Operational Risk Committee for operational risk related matters, Basel Committee for any related matters to ensure compliance with Basel regulatory requirements, and Reputation Risk Committee for reputational risk related matters. RMC is composed of members with relevant experience and expertise. Its key responsibilities are to review and recommend to the Board of Directors risk management policies and frameworks as well as to establish a corresponding governance structure in ensuring that not only risks are managed efficiently and effectively but also decisions are made in a transparent manner.

The Risk Management Group was established to act as catalyst for the development and maintenance of sound risk management policies, strategies and procedures within the Bank. It provides functional support to BRC, RMC, Risk Management Sub-committees and Credit Committee, and assists the Management in managing risks inherent to the Bank and banking businesses. The Risk Management Group is independent from other business units involved in risk taking transactions or activities.

Strategic Risk

Strategic risk is the risk of losses as a result of insufficient consideration of possible threats to the Bank's activities, insufficiently substantiated prospective business where the Bank could gain advantage over its competitors, lacking or incomplete provision of necessary resources and organisational measures that are required to achieve strategic objectives.

The major goal of strategic risk management is to maintain the risks taken by the Bank at levels determined in accordance with its strategic tasks and to ensure safety of assets and capital by minimisation of possible losses. The Bank defines risk appetite subject to approval by the Board of Directors. It uses the following strategic risk management methods: business planning, financial planning, monitoring of approved plan implementation, market analysis, SWOT analysis and readjustment of plans where necessary. Senior management and the Board of Directors are closely involved and engaged throughout the formulation process. Subsequent to the implementation stage, the Board of Directors and designated Management Committee regularly monitor and review actual results against the targets and plans.

Key strategic risks can be summarised as follows:

1. Risk resulting from inappropriate organisational structure and management

The Bank is convinced that a proper organisational structure is one of the critical factors in achieving desired targets. Adhering to the best governance and practice, committees and units are established with prescribed functions and responsibilities as well as proper check-and-balance procedures to ensure the integrity of the undertakings and the deliverability of business plans.

2. Risk resulting from economic volatility and competition

Economic conditions and competition are two external factors of which the Bank must remain vigilant. Implementation of business plans under unfavourable external environments may lead to the performance under the targets. To mitigate risk emerging from operating environments, the Bank's Research Office, together with the Strategy Division, closely monitor and analyse both economic conditions and competitive environments. In particular, analysis and assessment of peer banks are conducted on a regular basis. Subsequent research and strategic findings and recommendations will then be reported to relevant committees for consideration and further action as needed.

3. Risk resulting from capital inadequacy

Capital adequacy is a critical composition of sound risk management and mitigation mechanism. This includes the maintenance of adequate capital under both normal conditions and "extreme but plausible events" as resulted from the stress test exercise. The capital management plan, together with prescribed action plans, are formulated and set in place to ensure prudent positioning of the Bank's capital level as required by law. One particular measure, the CAR trigger (capital adequacy ratio trigger) is employed by the Strategy and Finance Group and Risk Management Group as early warning indicators in monitoring and maintaining capital adequacy.

Credit Risk

Credit risk arises from clients or counterparties who are not able to or are not willing to fulfill their contractual obligations under loan agreements or other credit facility agreements. Credit risk results in the deterioration of credit quality and affects the Bank's profitability and capital fund. The overriding objective of credit risk management at the Bank is to create value for shareholders by ensuring that the revenue is generated in balance with the acceptable credit risk appetite. Under the credit risk management policy, the Bank has put in place credit risk management process, techniques and controls to maintain a check and balance system with clearly defined responsibilities for relationship managers, credit analysts, credit risk assessors, credit approvers and risk management officers. The risk management framework for the Bank and its subsidiaries has continued to be enhanced to support our business and to ensure the overall adherence to the risk management policy of the Bank and CIMB Group.

The Bank continuously reviews and improves risk assessment tools for different types of clients and in line with the growth of portfolios. The tools include corporate rating tool that has been developed and implemented for corporate clients, SME rating model for SME clients, specialised lending rating model for specialised customer groups and credit scoring tools and system for retail, secured and unsecured loans as well as hire purchase. The credit rating and credit scoring tools are now implemented in systems to ensure efficiency of rating/scoring and model performance monitoring.

Non-performing loan (NPL) is one of the key risks affecting profitability and capital adequacy of the Bank. As such, we closely and prudently monitor and manage NPL, thus allowing for maintaining of adequate provisions for bad debts. In addition, as a pre-emptive measure, problem accounts are proactively monitored and managed before they turn into NPL. For portfolio risk management, particular attention is given to credit concentration risks by imposing appropriate risk limits, i.e. country risk limits, internal lending limits and business sector limits with RAG (Red, Amber & Green) indicators used to monitor concentration risk as well as to provide a better visual guidance to credit granting decision, i.e. Red – "Restricted," Amber – "Selective," and Green – "Grow." The Bank also performs stress tests on credit risk to evaluate the impact on the Bank in the event of unfavorable economic and financial conditions, both in the plausible scenario and extreme scenario.

The Bank determines and reviews risk appetite or acceptable risk level considering the forecasted economy in each year in order to be the guideline of business expansion and management. Risk appetite has been monitored on a monthly basis and reported to Risk Management Committee, Board Risk Committee, and Board of Directors.

Market Risk

Market risk occurs when the Bank undertakes transactions which are exposed to fluctuation in the market parameters which are interest rates, foreign exchange rates, securities prices in stock and commodity markets, and may negatively affect both the revenue and capital position of the Bank. The Bank employs a market risk policy to ensure that the rules and procedures are in compliance with both the regulatory requirements and the Bank's policy. The Bank has a work unit, independent from risk originating units, to monitor and control market risk. It also regularly assesses and determines the capital reserves for market risk to comply with the Bank of Thailand's regulations.

Market risks include the following:

1. Interest rate risk

The Bank monitors the interest rate risk for both the banking book and the trading book. For the banking book, the interest rate risk normally arises when the re-pricing and/or maturity schedule of assets, liabilities and off-balance sheet positions are not matched, or when the movements of reference interest rate on assets and liabilities are not correlated, negatively affecting net interest income (NII) and/or economic value of equity (EVE). We use the re-pricing gap analysis method to analyse the interest rate movement of assets and liabilities in different time periods. We also evaluate the effect of interest rate risk on the loss of earnings (NII) and/or EVE as a result of changes in interest rates under both normal and stressed circumstances. The Management Action Triggers (MATs) are set as a pre-emptive measure to control risk arising from the effect on net interest income (NII effect) as well as EVE effect. The Bank will report the analytical results as well as the re-pricing gap reports and effect of interest rate risk monitoring reports to the Asset and Liability Management Committee (ALCO), Risk Management Committee (RMC), Board Risk Committee (BRC), and Board of Directors (BOD).

The Bank manages interest rate risk by adjusting the assets and liabilities structure to be in line with forecast interest rate trends, taking into consideration the changes in NII and EVE. Results of the stress testing are used to determine alternative balance sheet strategies to be more suited to the business environment in order to achieve the business return target under acceptable level of risk. As of December 2015, a 100 bps and 200 bps increase of interest rates for a period of one year would increase net interest income by 0.40% and 0.80% and decrease in economic value of equity by 1.52% and 3.04%, respectively.

For the trading book, the interest rate risks of transactions in the trading book are under the supervision of the RMC under the framework prescribed by the Board of Directors. The calculation of fair value for trading transactions is performed on a daily basis in order to monitor the mark-to-market profits and losses. The daily risk status reports are also independently produced by the Risk Management Unit. The one basis point shift (PV01) limit, Greek Limit, Value-at-Risk (VaR) Limit and stop loss limit are set to control the risks associated with movements in interest rates which might affect the revenue and capital reserves of the Bank.

2. Foreign exchange risk

In managing risk from changes in foreign exchange and maintaining risk at the level prescribed by the Bank's policy, the Bank tries to match the currency of the funding source with that of loans, or to employ derivative instruments for foreign exchange hedging. Risk limits are determined by product and risk type using approaches such as FX net open position limit, Greek Limit, Value-at-Risk (VaR) limit and stop loss limit. Daily mark-to-market on the foreign exchange is also conducted. Furthermore, stress testing is periodically conducted of which the results are thoroughly analysed.

3. Market risk of equity securities and commodity related transactions

The Bank does not invest in trading equity securities other than investments in subsidiaries or affiliated companies, common shares as resulted from loan restructuring, and the property funds which have the high potential return and sound management. For the commodity derivatives, the Bank fully hedges against the

commodity risk on a back-to-back basis, thereby market risk exposure on trading equity securities or commodity has never been materialised.

Liquidity Risk

Liquidity risk refers to the failure to meet obligations when they become due because of inability to convert assets into cash and/or obtain sufficient funds within the specified period. The Bank plans and manages liquidity risk efficiently and optimally. It monitors and controls the liquidity level sufficient for both current and future obligations. The major source of funds is deposits and the major application of fund is loans. Besides, the Bank has to maintain the appropriate liquid asset level with sufficiency in high quality liquid assets to reserve the Bank's liquidity. Under the Bank's organisation structure, Treasury Group is in charge of managing the Bank's liquidity risk under the supervision of the Asset and Liability Management Committee (ALCO). ALCO is responsible for overall management and oversight of liquidity and review / recommendation of liquidity risk management policy before seeking approval from the Board of Directors. ALCO is also in charge of approving liquidity risk tolerance, while Risk Management Group monitors and controls liquidity risk within the framework approved by ALCO. For the companies in the Bank's financial business group, liquidity risk management will be decentralised. To support their liquidity, the Bank may consider and approve liquidity lines to them as per respective credit lines approved by Credit Committee and Board of Directors of the Bank. Liquidity risk has been continually analysed and assessed to ensure adequate liquidity for business operations. The analyses and efforts include a liquidity gap analysis covering normal and crisis situations. For cumulative liquidity gap under stress scenarios (bank-specific, market-wide, and combination of both crises), the Bank will add more severe factors to figure out the liquidity gap results. It prepares liquidity risk status report at least on a monthly basis. If the liquidity risk exceeds limits / MATs, Risk Management Group will report to ALCO and inform the relevant units to promptly take corrective actions and proceed as required by the escalation procedure. Our funding structure involves diversified funding sources adjusted to suit changing conditions and liquidity directions in the commercial bank system, as well as to balance the cost of liquidity against the liquidity risks as deemed appropriate, based on market conditions and acceptable risk levels. Moreover, the Bank has put in place the contingency funding plan to serve as an operational and procedural guideline to avoid, minimise and manage potential funding threats.

As of December 2015, the Bank's loan to deposit (including bill of exchange and debenture) ratio was 90.2%.

Operational Risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people, and systems, or from external events. Other risk factors include lack of corporate governance and management incompetence. All these factors can negatively affect the Bank's financial performance and capital fund.

In order to effectively manage operational risks, the Bank has set out appropriate policies, processes and procedures that not only bring the Bank in line with international standards, but also contribute to enhancing transparency and good governance. In this respect, the Risk Management Committee has been given the authority to establish policies and procedures which correspond with international best practice and to make recommendations to the Board of Directors or Board Risk Committee as delegated for approval and deployment as the Bank's policies and procedures. To increase effectiveness, the Bank has also appointed Operational Risk Management Committee to discuss, deliberate, assess and give advice on all issues relating to operational risks including fraud and covering key cause factors – human, process, system and external factors.

CIMB Thai's fundamental principle on operational risk is that the responsibility to manage operational risks associated with business ventures, products, services, and systems lines with line management and all staff performing the operations. Their responsibility includes compliance with all internal and external laws, regulations, policies and standards. In so doing, a Designated Compliance & Operational Risk Officer (DCORO) is appointed within each work unit to coordinate and assist in building the risk culture in own area

and to ensure that operational risk management policies and procedures are well implemented and complied with.

The Operational Risk Management Team is responsible for developing tools, system and process for identifying, assessing, controlling, reporting, and monitoring operational risks in compliance with the bank-wide operational risk policies, and international standards. Each business unit in the Bank and its subsidiaries are required to manage their operational risks along the following lines:

1. Risk control self-assessment

Each business unit is required to conduct risk control self-assessment and report the results of which regularly to the Risk Management Group. These reports will be used in assessing and analysing the overall operational risk exposure and providing a basis for determining corrective actions and follow-up. This makes it incumbent upon individual business units to review regularly that their work processes are structured and managed, thereby mitigating operational mishaps and enhancing their ability to redress the problems in a coherent and timely manner. In this context, continuous attention has been given to providing effective and efficient oversight across the organisation, including defining a clear scope of responsibilities and approval authority, establishing checks and balances, and securing data and information. Particular attention has also been given to ensure the continuity of business activities in accordance with international standards while enhancing sound corporate governance.

2. Loss event data reports

The Bank requires every business unit to submit loss event report through designated channels. The information captured by each unit is for the determination of the real cause(s) of the event and where necessary to recommend enhancement to the existing operational controls or workflow to ensure the lessons are learnt and such event will not recur in the future. These reports also facilitate statistical analysis of developing models for calculating operational risk capital requirements.

3. Key risk indicators (KRIs)

KRI is a tool to monitor and manage key operational risk exposures over time to predict upcoming changes in operational risk profiles. KRI provides early warning signals to the management on changes to the risk environment and the effectiveness of control. This is a forward looking tool to facilitate monitoring and management of key risks before they translate into operational losses. Hence, the management will be able to take appropriate actions to mitigate the risks beforehand.

4. Control issue management (CIM)

Control issues are defined as gaps in the Bank control environment. Inadequately-designed controls or controls that are not operating effectively may result in a residual risk beyond risk appetite. To manage control issues, the Bank has developed control issues management policy which provides an approach to systematically capture control issues and provides rules around the robust management or mitigation. The purpose of the policy is to ensure that control issues are captured and classified consistently, and that there is robust governance over their closure or acceptance.

5. New product approval process

The Bank has emphasised on developing new products or improving the operation process. For such purpose, the Bank enforces a stricter approval process with the identification, assessment and control of all relevant risks, i.e. credit, market and operational risks. All products are subject to a suitable review process before they can be signed off by the working groups and relevant business units before submission for approval and subsequent market launch.

6. Complaint management process

The Bank is aware of reputation and customer satisfaction risks. It has set up complaint units and proper procedures to handle customer complaints in a bid to manage such risks. Customers can direct their grievances to any of these units, namely Office of the President's Complaint Centre, CIMB Thai Care Centre, CIMB Thai Facebook page, or CIMB Thai branches. The complaint issues via the aforesaid channels will be gathered by Office of the President which performs as complaint management centre.

Office of the President (OFP) will consider and send each complaint issue to the work unit being complained. The complained work unit will investigate the issue, seek a solution thereto, and prepare and send out explanatory letters directly to the complainant. For any complaint made via a government agency, OFP will be the unit preparing and sending out letters to such government agency notifying it of the solution and result thereof. OFP will gather all customer complaints and their respective solutions, and present them to the task force for acknowledgement and remedial actions. This process aims to improve customer satisfaction and prevent the recurrence of such incidents. Summary reports on customer complaints and solutions will regularly be prepared and submitted by OFP to Management Committee and Audit Committee on a monthly basis.

7. Business continuity plan

The Bank has developed and implemented business continuity management bank-wide and in subsidiaries to analyse business impact of critical business functions and document business continuity plan based on the analysis result as well as exercises of business continuity plan/disaster recovery plan at least once a year. This is to ensure that critical business functions can be recovered within a specified time in the event of the crisis, disaster or calamity disrupting the critical business functions. Having business continuity management in place will help preserve the Bank's reputation and maintain customer confidence in the Bank's services.

8. Internal audit and compliance

The Bank has established Internal Audit Division and Compliance Department as independent units to assist the Audit Committee in auditing and monitoring, and directly report to the Audit Committee. Internal Audit Division is in charge of examining and providing reasonable assurance that all Bank activities are effectively and efficiently managed and carried out in line with good risk management and internal control principles. Meanwhile, Compliance Department oversees and monitors the Bank's business operation to ensure compliance with relevant laws and regulatory requirements.

Risk Related To Foreign Investment

The Bank has an insignificant exposure of foreign equity investments recorded in the banking book as a result of the amalgamation

4. Business Assets

4.1 Fixed Assets for Business Operation

(1) Land, building and equipment

As at 31 December 2015, CIMB Thai Group had land valued at Baht 1,173 million, buildings Baht 3,778 million, equipment Baht 2,993 million and assets under construction Baht 6 million. Net of accumulated depreciation and provisions for impairment of Baht 5,180 million, the net book value of the premises and equipment was Baht 2,770 million. Land, buildings and condominiums under the Bank and subsidiaries's ownership accommodate the Bank's headquarters, business centers, branches, and subsidiary offices.

(2) Commitments under long-term leases

As at 31 December 2015 and 2014, the Group had entered into a number of agreements to lease land, buildings and vehicles for periods longer than six months, under which future rental fees can be summarised as follows:

(Unit: Million Baht)

Lease periods	Consolidated		The Bank	
	2015	2014	2015	2014
1 - 3 years	237	363	197	299
4 - 5 years	8	6	8	6
6 - 10 years	12	15	12	15
11 - 30 years	2	2	2	2
Total	259	386	219	322

(3) Other commitments

As at 31 December 2015, the Bank has other commitments in the form of various agreements relating to computer system and software development. The Bank is obligated to pay a further Baht 112 million, MYR 1.1 million and USD 27 thousand under such agreements (31 December 2014: Baht 81.8 million and MYR 0.5 million).

4.2 Policy Governing Subsidiaries and Associate Companies

A subsidiary company means a company that the Bank has the power to determine its financial and business policies, whereby the Bank holds shares in the particular whether directly or indirectly not less than half of its issued and paid-up share capital.

An associate company means a company that the Bank has a right to participate in the formulation of its financial and business policies, whereby the Bank holds shares in the particular company whether directly or indirectly not less than 20% of its issued and paid-up share capital.

Companies in the Financial Group as approved by The Bank of Thailand means companies that their main business is to provide financial services and/or companies that their main business is to provide supporting business to financial services as defined by The Bank of Thailand. The Bank also must have power to control businesses of companies in the Financial Group.

The Bank's investment policy in subsidiaries and affiliates is set according to the consolidated supervision guidelines of The Bank of Thailand which means the bank will not make investment and holding shares in any company more than 10% of total issued shares, except when the bank gets approval from The Bank of Thailand in following cases.

1. Investment in companies in the Financial Group that the Bank has management control over the company as approved by The Bank of Thailand which consist of companies engaging in financial service businesses and companies engaging in supporting businesses whereby such companies will operate business mainly to support and promote business of the bank and companies in the Financial Group.

Bank of Thailand has granted approval to the Bank to establish a Financial Group on March 10, 2008. As at December 31, 2015, the Bank Financial Group consisted of

- 1.1 Financial Service Businesses
 - (1) CIMB Thai Bank Public Company Limited
 - (2) Center Auto Lease Company Limited
 - (3) Worldlease Company Limited
- 1.2 Supporting Businesses
 - (1) CT Coll Company Limited
2. Investment in companies outside the Financial Group, the Bank can only make investment in a company outside the Financial Group with a shareholding more than 10% of the total issued shares provided that such company must fall within following categories:
 - 2.1 Main business of the company is to provide financial service business but the Bank has no management control over the company provided that such investment was prior received approval from Bank of Thailand.
 - 2.2 Main business of the company is to provide supporting businesses beneficial to the Bank's business and the overall financial system, such as National Credit Bureau Co., Ltd, National ITMX Co., Ltd, S.W.I.F.T. Co., Ltd and Thai Rating and Information Services Co., Ltd.(TRIS), etc.
 - 2.3 Shares of companies in which the Bank received as a result of Trouble Debt Restructuring, debt to equity conversion, debt enforcement or foreclosure of collateral as allowed by Bank of Thailand.
 - 2.4 Companies which were prior received approval from Bank of Thailand, and companies that now are in liquidation process.
 - 2.5 Companies engaging in financial businesses or supporting businesses for which the Bank does not have management control. For companies engaging in other businesses will only be allowed when the invest is made through company that engaging in financial businesses which is under supervision of specific authority, provided that approval criterior of Bank of Thailand for such investment will be in accordance with rules and guidelines of as speicified by the relavant authority.

5. Legal Disputes

As of 31 December 2015, the Bank has an unsettled dispute which may have a negative impact on its assets as the claimed amount is worth over 5% of shareholders net equity.

The case is a civil case between Thai Melon Polyester Plc., the plaintiff, and 5 defendants namely Thai Asset Management Corporation (TAMC) the 1st defendant, Mr.Somjet Moosirilert the 2nd defendant, BankThai Plc. the 3rd defendant, Bangkok Bank Plc. the 4th defendant and Siam Commercial Bank Plc. the 5th defendant (the 3rd, the 4th and the 5th defendants are hereafter collectively referred to as “the banks”). The case was filed on 21 March 2007 with the Civil Court (case no. Black 1215/2550) for the revocation of the transfer of a Non-Performing Loan (NPL) and the transfer of mortgages between the banks and TAMC along with the claims in tort. The total amount of claims was THB 24,500 million comprising damages for loss of reputation of THB12,250 million and damages from the halt of business operations of THB 12,250 million, together with interest at the rate of 7.5% p.a. on the principal from the filing date to the date of full payment.

According to the claim, the Central Bankruptcy Court had issued a temporary receivership order upon the plaintiff's assets, therefore, the plaintiff's NPL did not fulfil the criteria of the Thai Asset Management Decree B.E.2544 and, henceforth, could not be transferred to TAMC. The Bank as the 3rd defendant, submitted a defending motion on 5 June 2007 based upon the following facts:

- on 28 March 2001, the Central Bankruptcy Court issued an order for temporary receivership over the plaintiff's assets (case no.Red 391/2543);
- on 14 August 2001, the Central Bankruptcy Court dismissed the interim receivership order and disposed of the case;
- on 12 October 2001, the banks transferred the plaintiff's NPL to TAMC along with the rights over the mortgages, and TAMC already issued the receipt of the plaintiff's NPL to the banks.

Therefore, during the time the banks transferred the plaintiff's NPL to TAMC, the plaintiff's assets were no longer protected under the temporary receivership order issued by the Central Bankruptcy Court. As a result, the banks had duly transferred the plaintiff's NPL to TAMC in accordance with the laws.

On 30 May 2008, the Civil Court dismissed the case based on the transfer between the banks and TAMC over the plaintiff's NPL was in accordance with the laws and there was no need to make further decision on other issues.

On 10 September 2008, the plaintiff filed an appeal and the Bank (the 3rd defendant) submitted a defence against the appeal on 10 November 2008. On 25 July 2012, the Court of Appeals affirmed the judgment of the Court of First Instance, the plaintiff filed an objection with the Supreme Court and the Bank (the 3rd defendant) submitted a defence against the dika appeal on 14 December 2012. The case is now under the consideration of the Supreme Court.

6. General Information and Other Important Information

6.1 General Information

Company Name : CIMB Thai Bank Public Company Limited
Registration No. : 0107537002338 (former Bor. Mor. Jor. 480)
Business Type : Commercial Banking
Head Office : Langsuan Building, 44Langsuan Road, Lumpini, Patumwan, Bangkok 10330
Telephone Number : 0-2638-8000 and 0-2626-7000
Facimile Number : 0-2633-9026
CIMB Thai Care Center : Telephone Number: 0-2626-7777
 E-mail: cimbthai.carecenter@cimbthai.com
Investor Relation : Telephone Number 0-2638-8615
 E-mail ir@cimbthai.com
Company Secretary : Telephone Number 0-2638-8287 and 0-2638-8274
 E-mail cs@cimbthai.com
Website : http://www.cimbthai.com

Reference:

Registrar : Thailand Securities Depository Co., Ltd.
Address : 93 Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok 10400
Telephone Number : 0-2009-9000
Facimile Number : 0-2009-9991
SET Contact Center : 0-2009-9999
Website : http://www.set.or.th/tsd
E-mail : SETContactCenter@set.or.th

Auditors : PricewaterhouseCoopers ABAS Ltd.
Address : 15th Floor, Bangkok City Tower, 179/74-80, South Sathon Road, Bangkok 10120, Thailand
Telephone Number : 0-2344-1000 and 0-2286-9999
Facimile Number : 0-2286-5050
Auditors in charge : - Mrs. Anothai Leekijwattana Certified Public Accountant (Thailand) No. 3442
 - Mrs. Unakorn Phruithithada Certified Public Accountant (Thailand) No. 3257
 - Mr. Paiboon Tunkoon Certified Public Accountant (Thailand) No. 4298

Entities in which CIMB Thai Bank invests 10% or more of total issued shares (As of 31 December 2015)

No.	Company Name / Address	Type of Business	Type of Share	Paid-up Capital (No. of shares)	Number of Shares Holding	%
1.	Center Auto Lease Co., Ltd. 43 Thai CC Tower 25 th , 32 th Floor, South Sathon Road Yannawa, Sathon, Bangkok Tel. 0-2673-9111	Leasing	Ordinary	350,000,000	349,999,994	99.99

No.	Company Name / Address	Type of Business	Type of Share	Paid-up Capital (No. of shares)	Number of Shares Holding	%
2.	CT COLL Co.,Ltd. 128/229-234 Phayathai Plaza Building, 21 st Floor, Phayathai Road, Tung Phayathai, Ratchavee, Bangkok Tel. 0-2638-8000	Debt collection service	Ordinary	385,000	384,993	99.99
3.	Worldlease Co., Ltd. 889 Thai CC Tower, 34 th Floor, South Sathon Road, Yannawa, Sathon, Bangkok Tel. 0-2675-6300 Fax. 0-2675-6299	Leasing	Ordinary	60,000,000	59,999,998	99.99
4.	Srithepthai Plaschem Co., Ltd. (Bankruptcy) 1200, Bangna-Trad Road, Bangna, Bangkok Tel. 0-2398-0027 Fax. 0-2383-0201	Plastic	Ordinary	83,332	31,410	37.69
5.	M-Home SPV 3 Co., Ltd. 1006/420 Masterview Executive Place Building, 1 st Floor, Charoennakorn Road., Banglumphu, Klongsan, Bangkok	SPV	Ordinary	10,000	1,282	12.82
6.	Tawanna Hotel Co., Ltd. 80 Surawongse Road, Bangkok, Tel. 0-2236-0361 Fax. 0-2236-3738	Hotel	Ordinary	33,909	3,390	10.00
7.	Sanwa Interfood Co., Ltd. (Abandoned) 2219-2223 New Petchburi Road, Bangkokapi, Huaykwang, Bangkok	Food	Ordinary	10,000,000	1,000,000	10.00
8.	Samchai Plc. 522 Ratchada Complex, Ratchadaphisek Road, Huaykuang, Bangkok	Electrical Appliance	Ordinary	40,000,000	4,000,000	10.00
9.	P.C.Patanasub Co., Ltd. (Dissolution) 1600 New Petchaburi Road, Makkasan, Ratchatewee, Bangkok	Commerce	Ordinary	10,000	9,993	99.93
10.	Executive Management Services Manpower Ltd. (Bankruptcy) 295 Rama III Road, Bangkholaem, Bangkok Tel. 0-2689-2626	Service	Ordinary	2,000	340	17.00
11.	Global Leasing Co., Ltd. (Official Receiver) 518/5 Maneeya Center, 8 th Floor, Ploenchit Road, Lumpini, Pratumwan, Bangkok 10330	Leasing	Ordinary	2,000,000	200,000	10.00
12.	TPF Leasing Co., Ltd. (Bankruptcy) Sangthongthani Tower, 25 th Floor, North Sathon Road, Silom, Bangrak, Bangkok	Leasing	Ordinary	6,000,000	600,000	10.00

No.	Company Name / Address	Type of Business	Type of Share	Paid-up Capital (No. of shares)	Number of Shares Holding	%
13.	UTM Advisory & Capital Management Co., Ltd. (Abandoned) 44 Langsuan Road, Lumpini, Patumwan, Bangkok Tel. 0-2626-7000	Consultant	Ordinary	100,000	10,000	10.00
14.	SPL Development Co., Ltd. (Restored to the Company's Registration) 149 Modern Home Tower, Nontri Road, Yannawa, Bangkok	Real Estate Development	Ordinary	500,000	499,999	99.99
15.	Thai-Ultra Auto Part Co., Ltd. (Bankruptcy) 59 Moo 4 Highway Road, Nikompattana, Bankai, Rayong	Auto Parts	Ordinary	6,500,000	650,000	10.00
16.	Advance Manufacturing Leasing Co.,Ltd. (Abandoned) 246 Time Square Building, 11 th Floor, Sukhumvit Road, 12-14, Khongteoy Bangkok	Leasing	Ordinary	20,000,000	2,000,000	10.00
17.	Tun Ruamkarn Co.,Ltd. (Bankruptcy) 133/2 Sukhumvit 21 Road, Klongtoey, Klongtoey, Bangkok.	Finance	Ordinary	240,000	40,000	16.67
18.	Modern Appraisal Co.,Ltd. (Abandoned) 3726/162-163 , 3 th Floor, Rama III Road, Bangkhlo, Bangkolaem, Bangkok.	Appraisal	Ordinary	20,000	2,000	10.00

6.2 Other Important Information

6.2.1 Thai Economy in 2015 and Outlook for 2016

Overview of the Thai economy in 2015

Thai economy in 2015 faced both internal and external headwinds and expanded at a slower pace than expected. Against the backdrop of weak recovery of several global economies, especially China, EU and Japan, Thai export growth faltered in line with the softening external demand and falling commodity prices. Although the US economy had signaled a clear recovery, prompting a hike in the Fed funds rate for the first time in many years toward the year-end, financial and capital markets across the globe remained volatile with a wider divergence of monetary policies among major economies.

Internally, the agricultural sector had been hit by droughts, which restricted the overall economic growth. Farm income continued to contract along with the sluggish commodity prices, hence a bearing on the overall household income prospects. Meanwhile, private investment was still limited by the prevailing low capacity utilisation. Although tourism continued its growth momentum helping drive the economy, its contribution to the GDP is only 10% compared with export contribution of more than 60% of GDP, hence minimal impact on the GDP growth. With all these factors, Thailand's economic growth in 2015 remained low at only 2.8%.

Outlook for 2016

For 2016, the Thai economy is predicted to slightly improve driven by accelerated public spending and investments through mega-projects worth THB 1.8 trillion and the prevailing low interest rates and oil prices which will boost households' purchasing power and fuel tourism growth. Additional economic stimulus packages made available from the end of 2015 through 2016, namely improvement of living standards of low-income earners through village funds, support of SMEs and property sector, and promotion of private investment through a range of initiatives will further stimulate economic activity. Cluster development, for example, aims at increasing industrial competitiveness in areas with high potentials for targeted manufacture bases in accordance with the Board of Investment (BOI) strategy. However, the China factor, the subdued commodity prices, the new currency war, the persisting low consumer and business confidence, and the draft charter pending public referendum are all factors hindering full economic revival.

Research Office of CIMB Thai views that Thailand's 2016 economic growth will come in mainly from expedited public investment in infrastructure projects. The implementation of infrastructure projects could bolster confidence of the private sector in their business investments on account of lowering logistics costs. At the same time, enhancement of private investment through innovation or research and development will add value to Thai goods and build linkage to the global supply chains. Trade prospects with neighboring countries especially Lao PDR, Myanmar, and Cambodia whose average economic growth rates are 6-7% and demand for Thai goods are enormous will also be contributing factors to the economic expansion along with tourism which should remain to be a main economic growth engine despite its only about 10% contribution to GDP.

Looking ahead into 2016, Thai baht against the US dollar is forecast to weaken further to THB 38 per dollar, from THB 36.02 per dollar in 2015 due to the Fed interest rate increase which would prompt capital outflows from the emerging markets including Thailand. It may be possible for Thailand's Monetary Policy Committee to raise the policy interest rate but no earlier than the end of the year given the clarity of economic recovery in the second half. In view of this, the policy rate is expected to remain unchanged throughout 2016 in order to revive the economy. All in all, we predict Thai economy to grow 3.3% in 2016, compared with 2.8% in 2015.

Part 2 Management and Corporate Governance

7. Securities and Shareholders information

7.1 Securities Information

The registered and issued and paid-up share capital of the Bank as of 31 December 2015 are as follows:

- Registered Capital : THB 13,705,170,716.00 (thirteen billion seven hundred five million one hundred seventy thousand seven hundred and sixteen baht), which comprises:
- : 27,410,341,432 (twenty-seven billion four hundred ten million three hundred forty-one thousand four hundred and thirty-two) ordinary shares, with a par value of THB 0.50 (fifty satang)
 - : No preference shares
- Issued and Paid-up Share Capital : THB 12,387,365,839.50 (twelve billion three hundred eighty-seven million three hundred sixty-five thousand and eight hundred thirty-nine baht and fifty satang), which comprises:
- : 24,774,731,679 (twenty-four billion seven hundred seventy-four million seven hundred thirty-one thousand six hundred and seventy-nine) ordinary shares, with a par value of THB 0.50 (fifty satang)
 - : No preference shares

7.2 Shareholder

(1) Major Shareholder of the Bank

a. Top 10 shareholders of the Bank as of 20 November 2015:

No.	Name of Shareholders	Number of Shares	% of Total
1.	CIMB BANK BERHAD	23,215,584,403	93.71
2.	BANK JULIUS BAER & CO. LTD, SINGAPORE	760,756,147	3.07
3.	THAI NVDR CO., LTD.	153,838,795	0.62
4.	MR. PISIT PRUKPAIBOON	32,609,986	0.13
5.	MR. PREECHA SUJINANKUL	14,100,000	0.06
6.	MR. PRAWIT PHANSAICHUE	13,452,575	0.05
7.	SCB SET INDEX FUND	11,944,716	0.05
8.	SCB SET BANKING SECTOR INDEX	11,450,425	0.05
9.	MRS. JAROONLUK PANICHSHEEWA	9,623,250	0.04
10.	MR. SOMCHAT NAMSRICHAROENSUK	8,951,267	0.04
	Other Shareholders	542,420,115	2.19
	Total 6,889 shareholders holding	24,774,731,679	100.00
	Thai shareholders	788,891,714	3.18
	Foreign shareholders	23,985,839,965	96.82
	Total number of shares	24,774,731,679	100.00

b. Major shareholders with significant influence over planning and directing the Bank's operations

Major shareholder with significant influence over planning and directing the Bank's operations is CIMB Bank Berhad. It holds 23,215,584,403 of the total issued and paid-up shares of the Bank, which is equivalent to 93.71%.

(2) Operating Business as a Holding Company

- None -

(3) Major shareholder agreements regarding share issuance or the Company management

- None -

7.3 Issuance of Other Debt Securities

Issuance of Debt Securities of the Bank (As of 31 December 2015)

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
1. Subordinated debenture ¹	None	22 December 2003	None	None	544,502,520	None	None
2. Subordinated and unsecured debenture, with debenture holder representative (Issued: 14 July 2011)	5.35% per annum	14 July 2021	None	The debenture is redeemable subject to the following conditions: 1) Prior to the end of 5-year period from the issue date, if the Issuer is informed by the BOT that: 1.1 The debenture is unable to be or is no longer qualified as Tier 2 capital of the issuer, or 1.2 The debenture can be counted as Tier 2 capital of the issuer, but at lower than 50% of Tier 1 capital of the issuer, or 1.3 The proceeds from the issuance of this debenture counted as Tier 2 capital shall be amortised upon calculated as Tier 2 capital, 2) Upon the end of 5-year period before the	3,000,000,000	Issue rating A+(tha) by Fitch Ratings (Thailand) Limited	Bank of Ayudhya Plc.

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
				redemption date or or at any interest payment date after the 5-year period from the issue date, or 3) The issuer can prove that interest payable under the debenture cannot be deducted as expense of the issuer for the taxation benefit of the issuer, or 4) Any other conditions as the Bank of Thailand may prescribe later.			
3. Subordinated and unsecured debenture, with debenture holder representative (Issued: 9 November 2012)	4.80% per annum	9 November 2022	None	The debenture is redeemable if written approval from the Bank of Thailand has been obtained and subject to the following conditions: 1) Upon the end of 5-year period from the issue date or at any interest payment date after the 5-year period from the issue date, or 2) The issuer can prove that interest payable under the debenture cannot be deducted as expense of the issuer for the taxation benefit of the issuer, or 3) Any other conditions as the Bank of Thailand may prescribe later. To seek approval from the Bank of Thailand as stated above, the issuer	3,000,000,000	Issue rating A+(tha) by Fitch Ratings (Thailand) Limited	Bank of Ayudhya Plc.

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
				shall first propose its redemption and substitution plans to the Bank of Thailand.			
4. Tier 2 subordinated debt ²	5.60% per annum	5 July 2024	None	For early redemption for each tranche of the subordinated debt where call option is applicable, the issuer may, at its sole discretion and subject to prior approval of the Bank of Thailand and submission to the Bank of Thailand redemption and substitution plans at least thirty (30) days prior to the call date, redeem and cancel the subordinated debt in whole but not in part on the call date in the principal amount together with all deferred and accrued but unpaid interest (if any), under the subordinated debt). The optional redemption by the issuer of the subordinated debt of one tranche does not trigger the redemption of the subordinated debt of other tranches. This is provided that, if required by the Bank of Thailand, 1) the redemption and substitution plans will include the issuance, either immediately or	3,371,180,000 0 (MYR 400,000,000)	Issue rating AA3 by RAM Rating Services Berhad	None

Classified by type	Interest rate	Maturity	Collateral	Restrictions and Requirements	Value of debt securities in issue as at 31 Dec 2015 (THB)	Credit ratings (Moody's / Fitch Ratings)	Bond holder representative
				before the redemption, of financial instruments of equivalent or superior quality in substitution for the subordinated debt to be redeemed; and 2) the issuance of these substitute instruments will not affect the issuer's ability to perform its business operation.			

- Notes:
1. Referring to a subordinated debt instrument transferred from a financial institution under regulatory intervention, i.e. Union Asia Finance Plc., in the amount of THB 544.50 million.
 2. Referring to a subordinated debt instrument with cash flow hedge in the amount of MYR 400 million.

7.4 Dividend Policy of CIMB Thai

The Bank's policy is to allocate dividend to shareholders at not over 40% of its net profit (after corporate income tax) of each operational year. Article 43 of the Bank's Articles of Association states: "No dividend shall be paid otherwise than out of profits. If the Company has incurred accumulated losses, no dividend may be paid. The remaining profit from paying the dividend can be allocated as the reserve funds as the Board of Directors may think fit. The Board of Directors may pay interim dividend to shareholders from time to time as it deems that the Company has enough profit to do so, and the payment of such dividend shall be reported to the shareholders at the next meeting. The payment of dividend shall be made within the time prescribed by law and the written notice of such payment of dividend shall be sent to the shareholders and also published in a newspaper." With respect to the Bank's subsidiary companies, the decision to declare a dividend payment is at the discretion of the respective subsidiaries' Boards of Directors and is dependent upon the subsidiaries' net earnings.

8. Management Structure

8.1 Board of Directors

As of 31 January 2016, the Board of Directors was composed of the following nine directors:

	Name	Position
1.	Dato' Robert Cheim Dau Meng	Chairman / Member and Alternate Chairman of Nomination, Remuneration and Corporate Governance Committee
2.	Mr. Sukont Kanjana-Huttakit	Vice Chairman / Independent Director / Chairman of Audit Committee
3.	Mrs. Watanan Petersik	Independent Director / Member of Audit Committee / Chairperson of Nomination, Remuneration and Corporate Governance Committee
4.	Dato' Shaarani Bin Ibrahim	Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee
5.	Mr. Chitrapongse Kwangsukstith	Director / Member and Alternate Chairman of Board Risk Committee
6.	Ms. Serena Tan Mei Shwen	Director / Member of Board Risk Committee
7.	Dato' Lee Kok Kwan ^{/1}	Director / Chairman of Board Risk Committee
8.	Mr. Subhak Siwaraksa	President and Chief Executive Officer

Note

^{/1} The Board meeting, held on 27 November 2015, resolved to appoint Dato' Lee Kok Kwan as a director in place of Mr. Kenny Kim who had resigned.

* The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as an independent director and Audit Committee member, effective from 1 January 2016.

Directors Nominated by Major Shareholder

CIMB Bank Berhad (CIMB Bank) has appointed two representatives to the Board, namely Dato' Robert Cheim Dau Meng, Dato' Lee Kok Kwan and Ms. Serena Tan Mei Shwen

Authorised Signatories

The directors who are authorised signatories of the Bank are Mr. Subhak Siwaraksa Mr. Chitrapongse Kwangsukstith, with both of whom to jointly sign and affix the Bank seal.

Meeting Attendance of Board of Directors

In 2015, the Bank arranged meeting of Board of Directors totalling 12 times. Details of the meeting attendance of each Board members are shown in the table below:

No.	Name	Position	Numbers of the meetings attended
1.	Dato' Robert Cheim Dau Meng	Chairman / Member and Alternate Chairman of Nomination, Remuneration and Corporate Governance Committee	10/12
2.	Mr. Sukont Kanjana-Huttakit	Vice Chairman / Independent Director / Chairman of Audit Committee	11/12
3.	Mrs. Watanan Petersik	Independent Director / Member of Audit Committee / Chairperson of Nomination, Remuneration and Corporate Governance Committee	10/12
4.	Dato' Shaarani Bin Ibrahim	Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee	11/12
5.	Ms. Sopawadee Lertmanaschai ^{/1}	Independent Director / Member of Audit Committee	7/12

No.	Name	Position	Numbers of the meetings attended
6.	Mr. Chitrapongse Kwangsukstith	Director / Member and Alternate Chairman of Board Risk Committee	9/12
7.	Mr. Kenny Kim ^{/2}	Director	8/12
8.	Ms. Serena Tan Mei Shwen	Director	6/12
9.	Mr. Subhak Siwaraksa	President and Chief Executive Officer	12/12

Note:

^{/1} The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as Independent Director and Audit Committee Member, taking effect from 1 January 2016.

^{/2} The Board meeting, held on 29 September 2015, resolved to acknowledge the resignation of Mr. Kenny Kim as Board Member, taking effect from 1 October 2015.

8.2 Executive Management

As of 31 January 2016, the Bank's executive management was composed of:

1. Mr. Subhak Siwaraksa President and CEO
2. Mr. Surachai Chitratsenee^{/1} Deputy CEO & Senior Executive Vice President
Business Support Group
3. Mrs. Panute Na Chiangmai Senior Executive Vice President
Risk Management Group
4. Mr. Pornchai Padmindra Senior Executive Vice President
Wholesale Banking Group
5. Mr. Adisorn Sermchaiwong Senior Executive Vice President
Retail Banking Group
6. Mr. Sutee Losoponkul Senior Executive Vice President
Treasury Group
7. Ms. Siriporn Sanunpairaue Senior Executive Vice President
Internal Audit Division
8. Mr. Jason Leong Kok Yew^{/2} Executive Vice President
Acting Head of Finance Group
9. Mr. Narong Lerdluckanawong^{/3} Executive Vice President
Trade Finance Sales & Product Division
Acting Head of Transaction Banking Group
10. Mrs. Siriporn Ambhanwong^{/4} Executive Vice President
Operations Division
Acting Head of Group Information and Operations Division
11. Mr. Tan Keat Jin^{/5} Executive Vice President
Strategy Division
12. Mrs. Kanokpai Vongsatitporn Executive Vice President
Human Resources Management Division
13. Mr. Prapas Thongsuk Executive Vice President
Corporate Communications Division
14. Mr. Thaphop Kleesuwan Executive Vice President
Office of the President & Compliance Department

Note

^{/1} The Board meeting, held on 26 October 2015, resolved to extend the employment and appointment of Mr. Surachai Chitratsenee as Deputy CEO and Senior Executive Vice President, Business Support Group, taking effect from 1 January 2016 to 31 December 2016.

^{/2} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Jason Leong Kok Yew as Executive Vice President, Acting Head of Finance Group, taking effect from 1 February 2016.

^{/3} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Narong Lerdluckanawong, Executive Vice President, Trade Finance Sales & Product Division as Acting Head of Transaction Banking Group, taking effect from 12 January 2016.

^{/4} The Board meeting, held on 27 November 2015, resolved to appoint Mrs. Siriporn Ambhanwong, Executive Vice President, Operations Division as Acting Head of Group Information and Operations Division, taking effect from 12 January 2016.

¹⁵ The Board meeting, held on 29 September 2015, resolved to appoint Mr. Tan Keat Jin as Executive Vice President, Strategy Division, taking effect from 1 October 2015.

As of 31 January 2016, CIMB Thai has 9 executives from Senior Executive Vice President upward and executives in Accounting and Finance in accordance with the SEC definition of the term 'executives' as below:

- | | | |
|----|---------------------------|--|
| 1. | Mr. Subhak Siwaraksa | President and CEO |
| 2. | Mr. Surachai Chitratsenee | Deputy CEO & Senior Executive Vice President ,Business Support Group |
| 3. | Mrs. Panute Na Chiangmai | Senior Executive Vice President , Risk Management Group |
| 4. | Mr. Pornchai Padmindra | Senior Executive Vice President, Wholesale Banking Group |
| 5. | Mr. Adisorn Sermchaiwong | Senior Executive Vice President, Retail Banking Group |
| 6. | Mr. Sutee Losoponkul | Senior Executive Vice President, Treasury Group |
| 7. | Mr. Pao Chatakanonta | Senior Executive Vice President, Deputy Treasurer |
| 8. | Ms. Siriporn Sanunpairaue | Senior Executive Vice President, Internal Audit Division |
| 9. | Ms. Winita Kimsawadi | Senior Vice President, Financial Reporting Department Finance Division |

Management Structure (as at 31 December 2015)



8.3 Company Secretary

The Board has appointed Mr. Thaphop Kleesuwan as Company Secretary and Secretary to the Board of Directors to assist the Board in fulfilling its tasks. His duties include providing legal advice and ensuring that the Board activities are complied with applicable laws and regulations as well as be in line with corporate governance principles, as follows:

- Providing preliminary advice and recommendations pertaining to legal, regulatory and governance issues and practices to the Board.
- Arranging board and shareholder meetings in accordance with the laws and the Bank's Articles of Association, preparing minutes of these meetings and monitoring compliance with the resolutions passes at those meetings.
- Ensuring that corporate information disclosures to regulatory agencies are in accordance with laws and regulations,
- Communicating with shareholders on their legal rights and material Bank information.
- Maintaining the register of directors, reports of Board meetings, reports of stakeholder meetings, reports of beneficial interests of directors and executives , other as required by relevant laws.

Profile of the Company Secretary is shown in attachment 1

8.4 Director and Management Remuneration as of 31 December 2014

(1) Monetary remuneration

a. Remuneration of Board members

This report describes the current components of the Bank's remuneration policy and details of the remuneration for each person during his/her directorship in 2015. The aggregate remuneration for directors comprising meeting and entertainment allowances for Board members and remuneration for Board committee members amounted to THB 10,504,000 in 2015 (compared with THB 8,564,000 in 2014), as described below:

1. Board of Directors	THB	6,136,000 (2014: THB 4,856,000)
2. Audit Committee	THB	1,824,000 (2014: THB 1,764,000)
3. Nomination, Remuneration and Corporate Governance Committee	THB	1,104,000 (2014: THB 1,104,000)
4. Board Risk Committee	THB	1,320,000 (2014: THB 840,000)

(Unit: THB)

Name	Positions	Monetary Remuneration			
		Board and Board Committee Members			
		Board of Directors	Audit Committee	Nomination, Remuneration and Corporate Governance Committee	Board Risk Committee
1 Dato' Robert Cheim Dau Meng	Chairman	2,000,000	-	-	-
2 Mr. Sukont Kanjana-Huttakit	Independent Director	968,000	864,000	-	-
3 Mrs. Watanan Petersik ¹	Independent Director	528,000	-	624,000	360,000
4 Dato' Shaarani Bin Ibrahim	Independent Director	528,000	480,000	480,000	-
5 Ms. Sopawadee Lertmanaschai	Independent Director	528,000	480,000	-	-
6 Mr. Chitrapongse Kwangsukstith	Director	528,000	-	-	480,000

	Name	Positions	Monetary Remuneration			
			Board and Board Committee Members			
			Board of Directors	Audit Committee	Nomination, Remuneration and Corporate Governance Committee	Board Risk Committee
7	Mr. Kenny Kim ²	Director	-	-	-	-
8	Ms. Serena Tan Mei Shwen	Director	528,000	-	-	480,000
9	Mr. Subhak Siwaraksa ³	President and CEO	528,000	-	-	-
Total			6,136,000	1,824,000	1,104,000	1,320,000

Note

- ¹ The Board meeting, held on 29 September 2015, resolved to acknowledge the resignation of Mrs. Watanan Petersik as Board Risk Committee Member.
- ² Representative director from CIMB Bank, namely Mr. Kenny Kim, has declared their intentions not to receive the meeting allowance in the Board and Board committees.
- ³ Most of the committees are chaired by the President and CEO or have the President and CEO as member. Nevertheless, the President and CEO has declared his intention not to receive the meeting allowances in those committee

b. Remuneration for senior executives

The Board is responsible for determining the procedures for evaluating the performance of senior executives based on the responsibilities, challenges and risks faced by each of them, and how their personal contributions help deliver sustainable shareholder value. The Board is also responsible for determining the appropriate remuneration packages for permanent and contract employees or any other persons having done business for the Bank, as recommended by executive management. In 2015, the aggregate remuneration for 9 Senior Executive Vice Presidents and above including the executives of Finance and Accounting (in accordance with the SEC definition of the term 'executives') was THB 75.05 million. In addition, the aggregate remuneration for 36 Executive Vice Presidents and above (in accordance with the BOT definition of the term 'executives') was THB 195.67 million.

2.2 Other benefits

In 2015, the Bank's contribution towards the provident fund for 9 Senior Executive Vice Presidents and above including the executives of Finance and Accounting (in accordance with the SEC definition of the term 'executives') was THB 3.75 million. Meanwhile, its contribution towards the provident fund for 36 Executive Vice Presidents and above (in accordance with the BOT definition of the term 'executives') was THB 9.55 million

8.5 Organisation and Personnel

As of 31 December 2015 the total manpower of the Bank was 2,896 employees, of whom 1,088 work at Bank branches and 1,808 at the head office, as below:

	No. of employees
1. President and Chief Executive Officer	1
2. Risk Management Group	97
3. Business Support Group	71
4. Finance Group	88
5. Group Information and Operations Division	567
6. Wholesale Banking Group	116
7. Retail Banking Group	1,49
8. Commercial Banking Group	168 ¹
9. Treasury Group	66

10. Transaction Banking Group	49
11. Human Resources Management Division	59
12. Office of the President	13
13. Corporate Communications Division	22
14. Internal Audit Division	54
15. Strategy Division	8
16. Compliance Department	23
<u>Total</u>	<u>2,896</u>

Staff Development Programme and Human Resource Management Plan

In 2015, the Bank has developed human resources management system with focus on developing existing internal personnel to become a leader and successor to various key positions in the organization with competency based learning. Training roadmap was in place for branch staff at all levels to ensure increased skills in serving as a professional financial advisor. The Bank has also emphasized on providing all staff levels with leadership programmes, and implemented Learning Management System (LMS) via E-learning for key mandatory training programmes for all staff. Its focus has also been on building an organization culture under CIMB Group's A Better CIMB theme.

Employee Benefits

The Bank has provided employee benefits such as provident fund, social security fund, life insurance, medical treatment, annual health check-up, staff clinic, housing loan, car/motorcycle loan, staff education loan and general purpose loan, that are competitive against other leading banks to attract and retain talented and competent staff. The total fixed salary paid to Bank employees for the fiscal year was THB 2,058.08 million. To be an employer of choice, the Bank will continue to improve its staff benefits to attract and retain quality staff.

Training Courses and Human Resources Development

In 2015, the Bank organised 212 training courses, comprising 103 internal and 109 external courses at a total cost of THB 35.1 million. The number of participants was 2,900 staff or 98% of total staff. The average ratio of training for staff was five days per person per year. Leadership courses conducted by internal staff included Be Proactive, 7 Habits, Systematic Problem Solving and Decision Making, Coaching for High Performance, etc. Courses aimed at increasing work skill were also offered, including Credit Training, Product Knowledge, Work System, Standard Operating Procedures, etc. Moreover, the Bank has provided scholarship to employees to pursue study in MBA and promoted cross-board learning within CIMB Group by sending its employees to undertake training courses offshore such as Group Orientation, Middle Management Development Plan, etc.

Staff Health and Safety Information

Proportion of average leave days of staff classified by type	2015 %	2014 %
Sick leave	30.76	31.37
Work related injury and sick leave	0.0	0.0
Others	69.24	68.63
No. of average sick leave days (days/person)	2.71	2.50
Work related accident death (persons)	0	0

9. Corporate Governance

9.1 Corporate Governance Policy

CIMB Thai firmly believes that its ongoing commitment and efforts in ensuring a strong corporate governance structure and culture across the organisation will help it deliver value to all its stakeholders. Hence, the Bank has strived to have good corporate governance practices put in place and the highest standards of business integrity applied to all its activities.

Corporate Governance Principles

The Bank has developed processes for identifying, assessing and managing the significant risks and uncertainties facing the Bank. Internal control processes are established to ensure efficiency and effectiveness of business operations and controls in all areas including finance and operations, as well as compliance with relevant laws and regulations. The Internal Audit Department and the Compliance Department have been tasked to provide oversight and support to ensure that individual business units conduct their business and affairs in a manner that drives forward the Bank's strategic objectives, while complying with applicable laws and regulatory requirements. A strong focus is placed on educating and increasing awareness among directors, executive officers and employees on the Bank's codes of conduct, the relevant laws and regulatory requirements as well as disciplinary procedures.

The Bank's corporate governance policy, which contains guidelines for directors, executive officers, and employees, was formulated in February 2005. With adherence to this policy in its operations, the Bank aims to build trust and confidence among investors and stakeholders, hence improving its competitiveness, enhancing value and promoting stability in the long run. The policy was updated in January 2011 and January 2014 in order to comply with the good governance principles and relevant regulatory requirements. Details of the Bank's corporate governance policy are available on its website: www.cimbthai.com.

Corporate Governance

1. Rights of Shareholders

The Bank has recognised the rights of all shareholders and encouraged them to exercise their basic rights on an equitable basis, as well as proactively communicated with them regularly. Such rights include the rights to sell, purchase or transfer shares, access Bank information, ensure fair distribution of profit, attend meetings to cast votes, express opinions and comments, and decide on important matters including appointment of directors and auditor, allocation of profit, dividend payment, increase or decrease of capital, and approval of any special items, etc.

The Bank is required to hold its annual general meeting of shareholders (AGM) within four months from the fiscal year end. Meetings of shareholders other than general meetings are called extraordinary meetings, which can be convened by the Board at any time it deems fit. The 2015 AGM was held on 10 April 2015.

Before the AGM, from 1 October 2014 to 31 December 2014, shareholders were invited to propose matters for inclusion in the meeting agenda and propose names of qualified candidates for election as directors of the Bank in accordance with the Bank's rules and criteria. For the 2015 AGM, no agenda items and no director nominations were proposed by the shareholders.

To convene the 2015 AGM, the Bank sent an invitation notice in which each agenda item was clearly identified whether it was for acknowledgement or consideration, together with background, rationale, and recommendations of the Board, as well as supporting documents which comprised criteria of meeting attendance and voting, proxy grants by shareholders, and the 2014 annual report in hard copy. The Bank has assigned Thailand Securities Depository, the Bank's share registrar, to send the notice to shareholders for consideration 14 days before the meeting. This allowed shareholders to have time to study information beforehand. The Bank also published the notice and other supporting documents on its website 14 days before the meeting. The notice was also made available to public via the disclosure channel of the Stock Exchange of Thailand (SET). Furthermore, in accordance with

regulatory requirements, the notice was published in newspapers for three consecutive days at least three days before the meeting. On the day of the AGM, various measures were taken to facilitate participation by the shareholders or proxy holders, including assigning staff to verify their related credentials to preserve their rights and ensure equitable treatment is offered to all shareholders. Registration of attendees was conducted through a bar code system with separate voting slips provided for each agenda item.

The shareholders and proxy holders had the opportunity to register at least two hours before the meeting began. Also, during the meeting, the shareholders could register their attendance to exercise their voting rights for any agenda item for which resolutions had not yet been passed. The Bank prepared proxy forms and details on proxy granting for shareholders who have appointed proxies to attend the meeting on their behalf. The proxy form and details on proxy granting were submitted together with the invitation notice to all shareholders. The Bank also provided an additional option to shareholders by providing the names and backgrounds of independent directors whom shareholders could consider for their proxy appointment. At the 2015 AGM, one shareholder appointed the member of the Audit Committee who is independent director to attend the AGM and vote on the shareholder's behalf.

At the 2015 AGM, 88.89% of the Board and Board Committee members and 591 shareholders and proxies attended the meeting, with total shares held of 19,792,420,580 shares representing 93.87% of the total issued shares. Before the meeting began, The Chairman had assigned the Company Secretary to give an explanation regarding voting rights and procedures to the attendees. The Chairman had assigned the Vice Chairman to run the meeting in order to assure that the shareholders would have equal opportunity to ask questions, raise any issues or make recommendations without language restriction. In addition, the Bank gave multimedia presentation of the proposed information for the meeting and provided simultaneous English translation for foreign shareholders. At the meeting, members of the Board and relevant executive officers answered or clarified related issues clearly and comprehensively. Issues raised and recommendations given were recorded in the meeting minutes. Voting was conducted in an open and transparent manner whereby vote casting for each agenda item followed the order specified in the notice and no modifications were made to the original agenda. Voting results on each agenda item were tallied through the bar code system and ballots of shareholders who disagreed and abstained from voting were kept. After the meeting, the minutes of the meeting were prepared in an accurate and comprehensive manner, including a summary of issues raised and clarifications or views provided as well as detailed votes for each agenda item which showed the number of votes cast for and against the motion, etc. The minutes of the 2015 AGM were submitted to the relevant supervisory authorities within 14 days from the meeting date as prescribed by law, and posted on the Bank's website, www.cimbthai.com, for shareholders' reference.

2. Equitable Treatment of Shareholders

The Bank recognises the importance of fair treatment of all shareholders including its duty on protection of shareholders' interests. Measures are in place to prevent the use of internal information for personal gains by the Board members, executives and employees. The Board has set a policy and procedure to prohibit unauthorised disclosure of material, non-public information which may affect the Bank's securities. Such policy and procedure require members of the Board, executives and employees, including spouses and underage children thereof, to refrain from using information that has become privately known to them for purchase, sale, transfer or receipt of transfer of securities of the Bank during a one-month period before such information goes to public. Moreover, members of the Board and executives from levels of senior executive vice-president or the equivalents upward, and those holding executive positions or department heads or the equivalents upward in the accounting or finance function line are duty-bound to report every of their sale or purchase of securities of the Bank and any change of the holding thereof, to the Office of the Securities and Exchange Commission (SEC), and keep copies of such reports at the Office of the President as evidence. In addition, to ensure an efficient and transparent management, the Bank has formulated codes of conduct and guidelines for the Board, executives and employees on the use of internal information and operation guidelines with avoidance of conflicts of interest.

3. Role of Stakeholders

The Bank places great importance to the rights of all its stakeholders including directors, executive officers, employees, shareholders, clients, business partners, creditors and the relevant authorities.

CIMB Thai Codes of Conduct

1. Clients

The Bank takes its commitment seriously to provide clients with high-quality products and services while safeguarding their interests and treating them fairly in all aspects of their dealings with the Bank. To pursue with this objective, it set up CIMB Thai Care Centre to efficiently handle client complaints and queries. The centre maintains a database of client complaints and classifies them by source and type. A report is prepared and forwarded to the Office of the President, the Internal Audit Department, the Compliance Department and other relevant units, to jointly resolve any complaints in an effective, fair, coordinated and timely manner. Client confidentiality is strictly observed at all times unless the disclosure is required by law or authorised in writing by the client.

2. Shareholders

The Bank recognises the critical importance of ensuring work systems and processes are in place to provide assurance of effective and efficient operations, internal controls and compliance with laws and regulations. Business conduct and ethics policies are implemented and employees are bound by these policies. The Bank focuses on creating and delivering sustainable shareholder value, protection of assets and providing all shareholders with fair treatment whilst allowing them to exercise their rights fully and fairly in an informed manner except when they have material interests in the matter considered at the shareholders' meeting. In such case, the shareholders concerned are required to abstain from voting thereon, but they are eligible to participate in the election of directors.

3. Employees

The Bank believes in fair treatment accorded to all employees, and is fully committed to enhancing the quality of its human capital. In this context, it consistently offers training and support, including opportunities to enhance performance and career development options. Such efforts will help build sustainable growth and serve expansion plans in the increasingly competitive markets.

4. Creditors and Business Partners

The Bank is committed to maintaining high standards of business conduct in compliance with all applicable laws and regulations. It conducts business with its creditors and business partners fairly and in compliance with the relevant laws and regulations.

5. Competitors

The Bank recognises the importance of a fair and competitive business environment. It is committed to conducting business in a fair and confidential manner posing no impairment to the reputation of its competitors and upholding best ethical and legal practices among its employees.

6. Responsibility towards the Community and the Environment

The Bank recognises its ability to make positive impacts on the community and the environment. It is actively involved in a range of charitable activities, including robe offerings, blood donation drives and fund-raising to help monks, underprivileged children and local community at large. Details of the Bank's activities are available on Corporate Social Responsibility section.

4. Disclosure and Transparency

The Bank places great importance to ensuring that accurate, timely and clear information, both in English and Thai, is communicated to the shareholders and other concerned parties across a variety of media channels, including those provided by the SET and the Bank's website. In addition, as

required by regulatory criteria, the Bank discloses relevant information in such annual reports as Forms 56-1 and 56-2. Various projects have been launched and activities held to boost investor confidence in the Thai capital market. Communication of clear and accurate information on the Bank's activities has been made to regulatory bodies, investors, shareholders, analysts and the general public. These initiatives include:

- Investor Relations (IR) and Office of the President to take charge of disseminating the Bank's information and maintaining good communications with investors, securities analysts, media and other interested persons. Reports on financial results and material transactions are made in an accurate, fair, and transparent manner and in compliance with the applicable laws and regulatory requirements.

In 2015, the Bank organised IR activities to provide information both directly and indirectly as follows:

1. Welcome of altogether 16 investors and analysts to meet with management team for inquiry on operating results, altogether 7 meetings.
 2. Press release issued whenever the Bank had significant investment or business activities.
 3. Availability of channels for inquiries via email at ir@cimbthai.com, phone at +662-638-8287, or website at http://www.cimbthai.com/CIMB/investor_relations/
- Dissemination of information to the general public via the media when financial results and business directions are to be announced to interested parties. This allows local and foreign investors and analysts to keep abreast of the Bank's performance and growth.

5. Responsibilities of the Board

A. Board Structure

Members of the Board comprise professionals with diversified backgrounds in finance, banking, business management, marketing, legal, auditing, accounting and government affairs. At present, there are eight Board members.

Election of Board members follows the resolution of shareholders' meetings and as set out in the Bank's Articles of Association. The number of directors on the Board shall not be fewer than 5 and not more than 12. The structure of the Board of Directors and the setup of Board Committees are as prescribed by the Bank of Thailand (BOT)'s notification regarding corporate governance of financial institutions and the Capital Market Supervisory Board's notification regarding application and permission for initial public offering and other amendments. The Board composition is as follows:

- 2 executive directors
- 3 non-executive directors
- 3 independent directors (*accounting for 37.5% of the entire Board*)

The three independent directors who concurrently serve on the Audit Committee must satisfy the criteria based on the good corporate governance principles.

The Board appoints one of its directors to be the Chairman. The President is not eligible to be appointed as the Chairman. In the interest of good governance, the roles of the Chairman and the President stay separate, with each of them having clearly defined responsibilities. A clear division of responsibilities helps ensure that no single individual has unfettered decision-making power and enables the Chairman to give objective views on the decisions made by management.

Each director's term of office is prescribed in the Articles of Association. At every annual general meeting, one-third of the directors shall retire. In any subsequent years, the directors who have been in office the longest shall retire. The retiring director may be re-elected.

The Bank has incorporated a policy on directors holding positions in other companies into its corporate governance principles in line with the corporate governance guidelines of relevant regulators, e.g. the BOT and the SET, details of which are as follows:

- Directors, managers and persons with managing authority of the Bank can take one or several positions of chairman, executive director, or authorised director in other companies subject to a maximum of three business groups.
- Directors should hold directorship in not more than five listed companies.

The Board has appointed Mr. Thaphop Kleesuwan as Company Secretary and Secretary to the Board of Directors to assist the Board in fulfilling its tasks. His duties include providing legal advice and ensuring Board activities comply with applicable laws and regulations in line with corporate governance principles, as follows:

- Providing preliminary advice and recommendations pertaining to legal, regulatory and governance issues and practices to the Board.
- Arranging Board and shareholder meetings in accordance with the laws and the Bank's Articles of Association, preparing minutes of these meetings and monitoring compliance with the resolutions passed at those meetings.
- Ensuring that corporate information disclosures to regulatory agencies are in accordance with laws and regulations.
- Communicating with shareholders on their legal rights and material Bank information.
- Maintaining the register of directors, minutes of Board meetings, invitation notices and minutes of shareholder meetings, reports of beneficial interests of directors and executives, and other tasks as required by relevant laws.

B. Board Committees

The Board has established Board committees comprising Audit Committee, Nomination, Remuneration and Corporate Governance Committee, Risk Management Committee, Management Committee and others, to assist in screening and scrutinising specific operations and support the performance of duties of the Board to ensure efficiency and effectiveness and maintain a good corporate governance system.

C. Roles, Duties and Responsibilities of the Board

1. Leadership and Vision

The Board consists of individuals from diverse professional backgrounds with a broad spectrum of experience and expertise as well as business ethics. The roles and responsibilities of the Board, including the appointment and removal of directors, are set out in the Bank's corporate governance guidelines and Articles of Association. The Board is committed to maintaining the highest standards of corporate governance and has good understanding of the Bank's business. It is responsible for ensuring independent oversight of internal controls and risk management while providing an objective assessment of management in the execution of the Bank's policies and strategies.

2. Ethics and Conflict of Interests

The Bank has formulated code of conduct in its corporate governance guidelines which the Board, management, and all employees must comply with when interacting with the customers, shareholders, employees, business partners or creditors. Emphasis is also placed on responsibilities for the environment, society and competitors, preservation of client confidentiality, honesty, fairness, professional integrity, business capacities, strict compliance with laws and regulations, as well as cooperation with regulatory agencies. In performing their duties, employees are required to keep uppermost in their mind the principles of good corporate governance, use good judgment, and act in compliance with rules and regulations. Alleged breaches of code of conduct are investigated in accordance with the procedures set out, and disciplinary penalty is imposed if someone is found guilty. Details of the Bank's code of conduct are available on www.cimbthai.com.

The Bank has communicated to all staff guidelines for compliance with code of conduct and corporate governance policy by making such information available online through the learning management system (LMS) and having them sign in acknowledgment thereof.

The Bank has in place policies to prevent conflicts of interest, connected transactions or related-party transactions. These include:

- Policy for consideration of the granting of credits and investments to, and undertaking contingent liabilities or other credit-like transactions with, the Bank's major shareholders or businesses with beneficial interest to directors or persons with managing authority of the Bank, which must adhere to the ratio stipulated by the BOT. Any such grant must be approved unanimously by the Board, and no director or person with managing authority who benefits from the granting of credits and investments, and the undertaking of contingent liabilities or other credit-like transactions can take part in the decision-making process.
- Policy for undertaking major transactions. Major transactions include an agreement to undertake connected transactions and/or an agreement to undertake transactions to acquire or dispose of core assets and/or rights to acquire or dispose of the Bank's core assets. The Bank must comply with requirements of regulatory agencies.

When considering related party transactions, if the transactions are related to major shareholders, directors, senior executive vice presidents or those holding the equivalent positions thereto, and executives in the Finance Group, and other related parties pursuant to the SEC criteria, the Board and management members must:

- 1) ensure that the transaction is legitimate, that is, it is reasonable, and is in the best interest of the Bank, including ensuring that the terms and conditions are not different from similar transactions made with unrelated parties; and
- 2) ascertain that the procedures for considering and approving any such transaction are fair, transparent, and verifiable, and that sufficient information on such transaction is disclosed to investors.

Connected transactions are subject to approval by the Board. Persons who review or recommend a transaction for approval must have no interests therein. Directors with material interests therein are not allowed to attend the meeting and vote thereon. The Bank may request additional opinion from an independent financial advisor if the transaction has to go to the shareholders' meeting.

D. Board Meetings

Board meetings are scheduled in advance for the entire year, with at least one held every quarter. In addition to the scheduled Board meetings, further Board meetings can also be held as and when they are required. The Board Secretary is responsible for providing all directors with the agenda, supporting papers and relevant information for each meeting seven days before the meeting, to give the directors advance notice of the business to be transacted. The Board Secretary is also responsible for taking the minutes of each meeting and preparing the minutes of the meeting, which is adopted by the Board and filed. In 2015, the Bank held 12 Board meetings (details as disclosed under "Meeting Attendance of Directors").

E. Board Performance Review

The Bank has conducted annual evaluation of the Board/Board-committee performance to allow Board/Board committee members to make a joint review of their performance, raise concerned problems and obstacles, and give observations and recommendations for increased operational efficiency. The evaluation form is divided into: a) self-assessment of Board/Board committee as a whole, comprising six sections: 1) structure and qualifications of the Board/Board committee members, 2) roles, duties and responsibilities of the Board/Board committee, 3) Board/Board committee meetings, 4) Board/Board committee's performance of duties, 5) relationship with the management, and 6) self-development of the Board/Board committee members and executive officers, and b) self-assessment on an individual basis, comprising three sections: 1) structure and qualifications of the Board/Board committee members, 2) Board/Board committee meetings, and 3) roles, duties and responsibilities of the Board/Board committee. The evaluation results will be compiled and concluded by the Board Secretary before presenting to the Chairman of the Board/Board committee for review to ensure compliance of the practices with the Board/Board committee Charter.

Moreover, the Bank has made annual evaluation of President and Chief Executive Officer performance, taking into consideration the key performance indicators determined based on the Bank's strategies and targets each year. The evaluation results will be compiled and concluded by the Board Secretary before presenting to the Chairman of the Board.

F. Remuneration of Directors and Senior Executives

The Bank discloses information on the remuneration of its directors and senior executives in compliance with the Public Limited Companies Act and the requirements of the supervisory and regulatory bodies. The Board aims to ensure that the Bank maintains competitive policies on remuneration in accordance with the following guidelines:

• Remuneration of Directors

The Bank's Articles of Association set out broad policies and practices to allow flexibility in determining directors' remuneration based on excellence in business and personal performance as well as the prevailing market conditions. The remuneration packages for directors, as approved by the meeting of shareholders, comprise meeting allowance, pension, bonus and other benefits. In this respect, the shareholders' meetings shall have remuneration determined either in specific amount or as per general guidelines, and either set from time to time or set to take effect until any change thereafter. Employees who also serve on the Board are still entitled to receive salary and remuneration in their capacity as staff or employees of the Bank.

The Board is responsible for proposing the remuneration packages for directors at the meeting of shareholders. Such remuneration shall commensurate with long-term value and returns to be delivered by them to the Bank and the shareholders, and shall also be in line with that in the industry.

The 2015 annual general meeting of shareholders no. 21 held on 10 April 2015 passed a resolution approving the remuneration for the Board and Board Committee members for 2015, as detailed below:

1. Meeting and entertainment allowances for Board members:

• Meeting allowance:

Chairman of the Board	THB	130,000	per month
Vice Chairman	THB	88,000	per month
Director	THB	44,000	per month

• Entertainment allowance:

Chairman of the Board	THB	70,000	per month
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Directors are responsible for paying their own income tax.

2. Remuneration for Board Committee members as appointed by the Board shall be paid in form of additional meeting allowances on a monthly basis as below:

Chairman of Audit Committee	THB	72,000	per month
Chairman/Chairperson of Committee	THB	52,000	per month
Member	THB	40,000	per month

Directors are responsible for paying their own income tax.

- Directors who are required to serve on other Board committees are entitled to receive additional fees based on the increase in responsibilities, as the Board sees fit.
- The Board has access to independent expert advice where needed, including determination of appropriate remuneration.
- The Board is duty-bound to disclose information on remuneration packages in compliance with the Public Limited Companies Act and relevant regulatory requirements.

G. Executive Development Programme

The Bank encourages all directors to participate regularly in the executive development programme, which is designed to familiarise the directors with the Bank's businesses, while providing them with an insight into their roles and responsibilities as Board members, and assisting them in developing visionary thinking. So far, the directors have participated in two programmes organised by the Thai Institute of Directors (IOD), namely the Director Certification Programme (DCP) and Director Accreditation Programme (DAP). Details on the directors' IOD training programmes are in the directors' profiles.

In 2015, there was one new director elected by the shareholders' meeting. The new director undergoes an in-house induction programme to provide him with an overview of the Bank and its business plans. He also receives an information pack that explains the Bank's corporate governance policies and practices, and the roles and responsibilities of directors and of the Board as a whole, including the various laws and regulations he needs to know.

H. Succession Plan

The Bank is fully aware of the necessity to operate its business efficiently and continuously. Thus, Human Resources Management Division has been tasked with formulating a succession plan to ensure that the Bank has identified executives or talents as successors and an appropriate training and development plan to up-skill each individual to be ready to replace key positions with immediate effect or within the specified timeframe. The significant process requiring approval by the Nomination, Remuneration and Corporate Governance Committee and the Board of Directors is as follows:

1. Identify key positions in each Group/Division
2. Identify successor's required qualifications/core competencies
3. Identify qualified managerial personnel/executives individually as appropriate successors to replace key positions with immediate effect or within one year
4. Identify qualified managerial personnel/executives individually as appropriate successors to replace key positions within a period more than one year
5. Identify talents in key areas as high potential resources to be successors within the respective timeframe
6. Provide training and development plan for the identified staff to up-skill and bridge any gaps
7. Review and complete annual succession plan for approval by the Nomination, Remuneration and Corporate Governance Committee and the Board of Directors

9.2 Board Committees

The Bank has various board committees as follows:

a. Board of Directors

1. Non-executive director

Means a director who does not hold any position in the Bank other than a member of the Board. A non-executive director may or may not be an independent director.

2. Executive director

Means a director who holds an executive position, or a director who is in charge of any action deemed to be taken by an executive, and shall include any authorised director.

3. Director who is delegated authorised signatory

Means one or several director(s) authorised by the Board to execute contracts or other written instruments on behalf of the Bank.

4. Independent director

Means a director who does not have any related business, hold any managerial position or have any beneficial interest in financial institutions that may affect his/her independent decision. An independent director of a public listed company is also required to comply with the provisions in the Capital Market Supervisory Board Notification No. ThorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares as follows:

- (a) Hold shares not exceeding one per cent of the total number of shares with voting rights of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, including shares held by related persons of such independent director;
- (b) Neither be nor have been an executive director, employee, staff, advisor who receives a salary, or controlling person of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing the application with the Office. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government agency which is a major shareholder or controlling person of the Bank;
- (c) Not be a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of a child, of executive, major shareholder, controlling person, or a person nominated as an executive or controlling person of the Bank or its subsidiary company;
- (d) Neither have nor have had a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, in the manner which may interfere with his/her independent judgment, and neither be nor have been a significant shareholder or controlling person of any person having a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the Office.

The term 'business relationship' under the first paragraph shall include any normal business transaction for business operation, rent or lease of immovable property, transaction relating to assets or services, or granting or receipt of financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar action, which result in the Bank or the counterparty being subject to indebtedness to the other party in the amount of three percent or more of the net tangible assets of the Bank or THB 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated by the valuation method applicable to connected transactions pursuant to the Capital Market Supervisory Board Notification regarding criteria on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurring during the period of one year prior to the date on which the business relationship with the person commences;

- (e) Neither be nor have been an auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person, or partner of an audit firm which employs the auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the Office;
- (f) Neither be nor have been a provider of any professional services including those as legal advisor or financial advisor who receives service fee exceeding THB 2 million per year from the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the Office;
- (g) Not be a director appointed as representative of directors of the Bank, major shareholder or shareholder who is related to the major shareholder;
- (h) Not undertake any business in the same nature as and in material competition with the business of the Bank or its subsidiary company, or not be a significant partner in a partnership, or not be a director involved in management, employee, staff, advisor who receives a salary or holds shares exceeding one percent of the total number of shares with voting rights of another company which undertakes business in the same nature as and in material competition with the business of the Bank or its subsidiary company;

- (i) Have no other characteristics which would disable expression of independent opinions on the Bank's business operations.

Upon appointment as independent director with qualifications as stated from (a) to (i) in the first paragraph, the independent director may be assigned by the Board to take part in the business decisions of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person of the Bank, on a collective decision basis.

B. Powers of Board of Directors

1. Appoint and remove regular and temporary employees, determine payment of bonus and compensation to regular and temporary employees or any person doing business for the Bank, and declare dividend payment to shareholders.
2. Establish Board committees as deemed necessary to assist the Board in overseeing the Bank's business affairs, and determine remuneration for committee members as appropriate.
3. Appoint any person as advisor to the Board to give opinion on the Bank's business affairs, and determine remuneration as appropriate.
4. Delegate authority to any one or more director(s) or other person(s) to perform any duty on behalf of the Board.
5. At the Board meeting, each director shall have one vote. Director with beneficial interests in any matter shall not be entitled to vote on that matter. In the event of a vote tie, the Chairman of the meeting shall have the casting vote.

C. Duties and Responsibilities of Board of Directors

Basic responsibility of the Board is to exercise judgment on the business operations in a manner that they reasonably believe to be in the best interests of the Bank and in compliance with the applicable laws and regulatory rules, the Bank's Articles of Association, and resolutions of the shareholders' meetings, as detailed below:

1. Set vision, targets, policies, strategies, administration, utilisation of resources, and business standards and framework of the Bank; and monitor and supervise the Bank's business operations to ensure efficient and effective discharge of functions in accordance with the policies set forth.
2. Select individuals qualified for directorship and make recommendation thereof to the shareholders' meeting for election as directors, as well as encourage the shareholders to nominate candidates for election as directors.
3. Select qualified individuals from diverse professional backgrounds and with a broad spectrum of experience and expertise for appointment to executive management positions.
4. Review and approve budgets proposed by executive management under joint consideration with executive management.
5. Delegate authority for day-to-day management to executives based on agreed objectives and targets, except when the matter is of high significance and not in normal course of business of the Bank and hence warrants the Board's attention, such as change in the Bank's capital structure, investment in other business, business merger, disposal of assets and capital expenditure; or in case where the Board's ratification is required, including the matter with conflict of interest, and an approval by the shareholders' meeting has to be sought; the Board is duty-bound to give opinion to the shareholders on such matter.
6. Determine the issues to be brought to its attention by executive management.
7. Set measures for executive management to communicate and ensure there is communication of operational targets and policies to Bank staff at all levels.
8. Monitor and supervise executive management's business operations to ensure compliance with relevant laws and regulations as well as contractual terms and conditions.
9. Monitor and ensure that the Bank has in place efficient and effective risk management system.
10. Monitor and ensure that the Bank has in place adequate, proper and effective internal control system for the benefit of the Bank; formulate and implement a clear procedure to cope with conflict of interest; put in place policies and processes preventing executive management and other concerned parties from using confidential inside information for personal gains; and assess and review the adequacy of the Bank's internal controls every year-end.
11. Ensure that all stakeholders are treated fairly.

12. Assume responsibility for the financial statements of the Bank and its subsidiary companies and in that process, ensure that the notes to the financial statements contain all important disclosures; and supervise to ensure that processes are in place for implementing a sound accounting system and proper accounting records are kept for future references.
13. Ensure that processes are in place for reporting of operating results in comparison with the targets and the problems arisen so that the Board can monitor, improve and rectify the plans and strategies as appropriate.
14. Establish procedures for evaluating the performance of senior executives to determine the appropriate levels of remuneration, taking into account risks and responsibilities involved as well as added value to shareholders in the long run.
15. Review the pay structure and criteria for authorising bonuses, incentives and benefits for regular and temporary staff or any person doing business for the Bank, regardless of whether on a regular basis or not, as recommended by executive management.
16. Appoint any person as advisor to the Board, or seek professional advice from an external advisor, to give opinion and suggestion on the Bank's business affairs at the expense of the Bank; and determine the remuneration for whom as deemed appropriate.
17. Appoint Board committees as necessary to assist the Board in overseeing the Bank's business affairs in the areas assigned, and determine the remuneration for whom as deemed appropriate. Board committees may, at the Bank's expense, engage independent experts to give additional advice and also have regular staff available to assist in data compilation and coordination to support the Board committees' discharge of duties.
18. Ensure that adequate, accurate and reliable information is disclosed in a timely manner.
19. Appoint Board secretary to assist the Board in managing its business affairs and ensure compliance with the relevant laws, rules and regulations.
20. Put in place corporate governance principles and business ethics, Board and Board committee charters, and human resource management policies.
21. Ensure there are relevant and effective operational controls, monitoring and guidelines available in all work units across the organisation.
22. Conduct self-assessment every year.

The Board shall under no undue influence make independent decisions, or objections in case of disagreement or conflict of interests, and make approvals of matters or recommendation to the shareholders' meeting for approvals as appropriate, based on the following principles:

Sufficiency:

- To act in the best interests of the Bank;
- To exercise sound and prudent judgment; and
- To decide dispassionately without consideration of personal gains.

Prudence:

- To act with due care taking all steps in the manner a director should take under similar circumstance;
- To make informed decisions; and
- To act with reasonable grounds that information is reliable and correct.

Integrity:

- To act in good faith;
- To make decisions free of possible or appearance of conflict of interest; and
- Not to make use of the Bank's information and opportunities for personal or other persons' gains.

D. Selection, Appointment and Removal of Directors

The Board of Directors shall be elected by the shareholders. The Bank has put in place director nomination procedures that are transparent and open for inspection. The Board shall accordingly appoint Nomination, Remuneration and Corporate Governance Committee to take charge of selecting and nominating qualified persons who have no disqualifications according to the law for appointment as directors by recommending them through the Board before submitting to the meeting of the shareholders for approval and appointment. This process shall comply with the rules and procedures on appointment and removal of directors as specified in the Bank's Articles of Association as follows:

- a. According to the shareholders' resolution, the Board of Directors shall comprise no fewer than 5 and no more than 12 members, with at least half the board members having domicile in Thailand.

- b. Article 16 of the Bank's Articles of Association provides for the following voting procedure:
- (1) Each shareholder shall have the number of votes equal to the number of shares held. One share is entitled to one vote;
 - (2) Votes shall be cast for either an individual or several directors in the number required to be elected at the respective meeting and as deemed appropriate by the meeting. In the election of either an individual or several directors, each elected person shall receive votes from each shareholder in the full amount of shares held by that shareholder pursuant to (1). The shareholder shall not allot his/her votes to any person in any number; and
 - (3) After the voting, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order in the number required in the election. Where the votes cast for candidates in the descending order are tied, and would otherwise cause the number of directors to exceed the number required to be elected at the respective meeting, the remaining appointments shall be made by drawing lots in the procedure to be determined by the Chairman of the meeting.
4. At every annual general meeting, one-third of the directors shall retire. In any subsequent years, the directors who have been in office the longest shall retire.
 5. Whenever any person vacates his/her seat as a Board member for any reason other than expiry of term of office, the remaining members shall at the next Board meeting appoint another qualified and suitable director to fill that position for the remainder of the term of office of his/her predecessor except in the event that the vacant position has fewer than two months left in the term. The motion shall require the majority consent of at least 75% of the remaining members of the Board.

In addition, pursuant to the Financial Institution Business Act B.E. 2551 (2008), the Bank of Thailand (BOT) is empowered to issue an order requiring a commercial bank to remove from office any director or any person in charge of business operation that has caused serious harm to the society at large, or has failed to comply with the directives prescribed by the BOT. In this respect, the Bank is obliged to select a suitable replacement subject to approval by the BOT. The decision taken by the BOT to appoint or remove any director is conclusive.

Board of Directors

As of 31 January 2016, the Board of Directors was composed of the following eight directors:

Name	Position
1. Dato' Robert Cheim Dau Meng	Chairman / Member and Alternate Chairman of Nomination, Remuneration and Corporate Governance Committee
2. Mr. Sukont Kanjana-Huttakit	Vice Chairman / Independent Director / Chairman of Audit Committee
3. Mrs. Watanan Petersik	Independent Director / Member of Audit Committee / Chairperson of Nomination, Remuneration and Corporate Governance Committee
4. Dato' Shaarani Bin Ibrahim	Independent Director / Member of Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee
5. Mr. Chitrapongse Kwangsukstith	Director / Member and Alternate Chairman of Board Risk Committee
6. Ms. Serena Tan Mei Shwen	Director / Member of Board Risk Committee
7. Dato' Lee Kok Kwan ¹	Director / Chairman of Board Risk Committee
8. Mr. Subhak Siwaraksa	President and Chief Executive Officer

Note

¹ The Board meeting, held on 27 November 2015, resolved to appoint Dato' Lee Kok Kwan as a director in place of Mr. Kenny Kim who had resigned.

* The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as an independent director and Audit Committee member, effective from 1 January 2016.

Directors Nominated by Major Shareholder

CIMB Bank Berhad (CIMB Bank) has appointed three representatives to the Board, namely Dato' Robert Cheim Dau Meng, Dato' Lee Kok Kwan and Ms. Serena Tan Mei Shwen.

Authorised Signatories

The directors who are authorised signatories of the Bank are Mr. Subhak Siwaraksa and Mr. Chitrapongse Kwangsukstith, with both of whom to jointly sign and affix the Bank seal.

E. Board Committees (as of 31 January 2016)

The Board has appointed the following principal committees to assist it in overseeing and ensuring the Bank's business operations with prudence and efficiency:

1. Audit Committee
2. Nomination, Remuneration and Corporate Governance Committee
3. Board Risk Committee
4. Shariah Sub-Committee
5. Management Committee
6. Risk Management Committee
7. Credit Risk Committee
8. Credit Committee Level 2
9. Retail Business Committee
10. Assets and Liabilities Management Committee
11. IT Strategic Planning Committee
12. Market Risk Committee Thailand
13. Marketing and Communications Committee
14. Product Development Committee
15. Credit Committee Level 3
16. Problem Loan Management Working Group

1. Audit Committee

The Audit Committee (AC) is composed of:

1.	Mr. Sukont Kanjana-Huttakit	Independent Director	Chairman
2.	Dato' Shaarani Bin Ibrahim	Independent Director	Member
3.	Mrs. Watanan Petersik ¹	Independent Director	Member
4.	Ms. Siriporn Sanunpairaue	Senior Executive Vice President	Secretary for Internal Audit
		Internal Audit Division	function
5.	Mr. Thaphop Kleesuwan	Executive Vice President	Secretary for Compliance
		Compliance Department	function

Note ¹ The Board meeting, held on 22 January 2016, resolved to appoint Mrs. Watanan Petersik as Member of Audit Committee in place of Ms. Sopawadee Lertmanaschai who had resigned.

Powers, Duties and Responsibilities:

1. Assist the Board in discharging its statutory duties and responsibilities relating to accounting, reporting practices and corporate governance.
 The AC shall review the effectiveness of internal controls, risk management processes and governance practices, taking into account the requirements of relevant BOT guidelines and SEC's and SET's listing requirements.
2. Review the effectiveness of Internal Audit Division.
3. Recommend to the Board and shareholders the appointment of external auditors, including the appropriate remuneration as well as review the effectiveness of external auditors.
4. Review the effectiveness of Compliance function and monitor Compliance Department work to ensure compliance with relevant regulations.
5. Review the findings and compliance issues identified by regulators and to ensure that appropriate and prompt remedial actions are taken by management.

6. Review the correctness and adequacy of financial statements for submission to the Board of the relevant entities within the CIMB Thai Group.
7. Review all related party transactions submitted by management that may arise within the CIMB Thai Group and keep the Board informed of such transactions.
8. Report to the Board any corrective action or improvement required should the AC have concerns over conflict of interest activities, fraud, irregularities, significant internal control weakness, or violation to the relevant regulations. If the Board or management does not take appropriate action within the timeframe determined by the AC, any member of the AC has to report such activity to the SEC or the SET.
9. Report all activities of the AC in the Bank's annual report, which must be signed by the AC Chairman. The report must contain minimum information as stipulated in the SET regulations.
10. Clearly document the scope, roles and responsibilities of the advisory service from external expert to AC or appointment of management to perform duty on behalf of AC, if any.
11. Approve, revise and conduct annual reviews of the Bank's internal policies related to compliance, which are not required by regulatory bodies to obtain the Board of Directors' approval.
12. Approve Annual Compliance Report as required by regulators.
13. Approve Internal Audit Division and Compliance Unit Charter.
14. Perform any other duties as specified in Audit Committee Charter.
15. Perform any other assignments delegated to it by the Board.

Scope: CIMB Thai Bank Group-wide

2. Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee is composed of:

1. Mrs. Watanan Petersik	Independent Director	Chairperson
2. Dato' Robert Cheim Dau Meng	Chairman	Member and Alternate Chairperson
3. Dato' Shaarani Bin Ibrahim	Independent Director	Member
4. Mrs. Kanokpai Vongsatitporn	Executive Vice President	Secretary
	Human Resources Management Division	

Powers, Duties and Responsibilities:

1. Nomination:
 - Formulate policy, criteria and method for proposing candidates for directors or persons with management authority (Executive Vice President or above) to the Board for consideration and appointment, and submit the policy to the Bank of Thailand upon request.
 - Nominate qualified candidates for the following positions to the Board of Directors for approval:
 - a) Director,
 - b) Director appointed to sit on Board committee, and
 - c) Managerial position of Executive Vice President and above.
 - Ensure that the size and composition of the Board is appropriate for the organisation and is adjustable to suit the changing business environment. Board members shall possess appropriate expertise and experience.
 - Disclose the nomination policy and procedures in the Bank's annual report.
 - Consider the appointment and fixing of remuneration of directors of the Bank's subsidiaries and recommend them to the board of directors of the subsidiaries for approval.
2. Remuneration:
 - Recommend remuneration and benefit policy as well as amount of remuneration and benefits for the Board members and persons with managerial authority (Executive Vice President and above) with clear and transparent criteria for consideration and approval by the Board; and have such policy submitted to the Bank of Thailand upon request (remuneration and benefit policy should cover all aspects of remuneration including director's fees, salaries, allowances, bonuses, options and benefits-in-kind).
 - Ensure that remuneration for the Board members and persons with managerial authority (Executive Vice President and above) is commensurate with their duties and responsibilities. Board members who take on extra assignments should be compensated accordingly.
 - Set performance assessment criteria for Board members and persons with managerial authority (Executive Vice President and above) for annual remuneration review, taking into account their responsibilities and risks as well as enhancement of long-term shareholder value.

- Disclose the remuneration policy, actual payment thereof in various forms, and NRC's report that at least covers the objectives, activities and opinion of the NRC in the Bank's annual report.
 - Review the remuneration schemes for employees of the Bank in line with the industry practices and remuneration framework of CIMB Group.
 - Consider and recommend to the Board for approval the annual salary adjustment and bonus framework for CIMB Thai Group.
3. Corporate Governance:
- Review corporate governance policy and codes of conduct for directors and employees of the Bank to ensure consistency with the corporate governance criteria of relevant regulatory authorities, and submit to the Board of Directors for approval.
 - Approve corporate governance guidelines for relevant units to align with and present to the Board of Directors for acknowledgement on a yearly basis so as to enhance good corporate governance of the Bank.
4. Other matters as assigned by the Board.

3. Board Risk Committee

The Board Risk Committee (BRC) is composed of:

1. Dato' Lee Kok Kwan ^{/1}	Director	Chairman
2. Mr. Chitrapongse Kwangsukstith	Director	Member and Alternate Chairman
3. Ms. Serena Tan Mei Shwen	Director	Member
4. Mr. Subhak Siwaraksa	President and CEO	Member (interim)
5. Ms. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Secretary

Note ^{/1} The Board meeting, held on 22 January 2016, resolved to appoint Dato' Lee Kok Kwan as Chairman and Mr. Chitrapongse Kwangsukstith as Member and Alternate Chairman.

Powers, Duties and Responsibilities:

1. Approve the appointment and changes of members as well as powers, duties and responsibilities of the following:
 - 1.1. Risk Management Committee (RMC)
 - 1.2. Assets and Liabilities Management Committee (ALCO)
 - 1.3. Market Risk Committee Thailand (MRCT)
 - 1.4. Product Development Committee (PDC)
 - 1.5. Credit Committee Level 2 (CCL2)
 - 1.6. Credit Committee Level 3 (CCL3)
 - 1.7. Any other risk committees appointed and reporting directly to BRC
2. Approve/concur with risk policies, limits and management action triggers (MAT) (e.g. market risk, credit risk, operational risk, strategic risk, etc.) of CIMB Thai and its Financial Group as follows:

Frameworks/policies/limits and MATs of CIMB Thai

 - 2.1 Approve new or changed risk management framework/policy that may result in material increase in risk level as permitted by regulator(s) to be approved by Board-delegated committee; and
 - 2.2 Approve all risk limits and MATs permitted by regulator(s) to be approved by Board-delegated committee.

Frameworks/policies/limits and MAT of companies in the Financial Group

 - 2.3 Concur with new or changed risk management framework/policy required for companies in the Financial Group that may result in material increase in risk level prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
 - 2.4 Concur with all risk limits and MATs prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
3. Oversee the entire risk and capital management function of CIMB Thai and its Financial Group, including:
 - 3.1 Monitor to ensure the Bank is operated efficiently and in compliance with capital management frameworks, policies and strategies and other related frameworks, policies and strategies.
 - 3.2 Approve Risk Posture and Stress Testing Scenario.

4. Concur or approve proposals recommended by risk committees, including but not limited to the following:
New third party of CIMB Thai and its Financial Group
 Approve the new third party(ies) of CIMB Thai (excluding CIMB Principal Asset Management and companies in its Financial Group) before selling the products or concur with the new third party(ies) of Financial Group prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
5. Provide strategic guidance and review decisions made by the various risk committees.
6. Ensure infrastructure, resources, systems including risk measurement tools and other capabilities of CIMB Thai and its Financial Group are in place for risk management to maintain a satisfactory level of risk management and discipline and that the risk awareness culture is pervasive throughout the organization.
7. Appoint external consultants, from time to time, to review and advise BRC on risk management matters.
8. Approve and ensure the following are in line with regulatory requirements:
 - 8.1. Risk-related disclosures
 - 8.2. Internal control over process of risk-related disclosures
 Scope: CIMB Thai Financial Group (where appropriate)

4. Shariah Sub-Committee

The Shariah Sub-Committee is composed of independent Islamic finance experts who are not Bank employees and/or hold no other positions in the Bank, as below:

1. Dr. Ismaae Alee
2. Dr. Maroning Salaming

Powers, Duties and Responsibilities

1. Explore all possibilities in providing financial services in the conduct of Shariah business by the Bank and its subsidiaries.
2. Give opinions and propose relevant issues of Shariah business to the Board of Directors and/or other Board Committees involved.

5. Management Committee

The Management Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsenee ^{/1}	Deputy CEO & Senior Executive Vice President Business Support Group	Vice Chairman
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
4.	Mr. Pornchai Padmindra	Senior Executive Vice President Wholesale Banking Group	Member
5.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
6.	Mr. Sutee Losoponkul	Senior Executive Vice President Treasury Group	Member
7.	Head	Commercial Banking Group	Member
8.	Mr. Jason Leong Kok Yew ^{/2}	Executive Vice President Acting Head of Finance Group	Member
9.	Mr. Narong Lerdluckanawong ^{/3}	Executive Vice President Trade Finance Sales & Product Division Acting Head of Transaction Banking Group	Member
10.	Mrs. Siriporn Ambhanwong ^{/4}	Executive Vice President Operation Division Acting Head of Group Information and Operations Division	Member

11.	Mrs. Kanokpai Vongsatitporn	Executive Vice President Human Resources Management Division	Member
12.	Mr. Prapas Thongsuk	Executive Vice President Corporate Communications Division	Member
13.	Mr. Tan Keat Jin ^{/5}	Executive Vice President Strategy Division	Member
14.	Mr. Thaphop Kleesuwan	Executive Vice President Office of the President	Secretary

By invitation

Ms. Siriporn Sanunpairaue	Senior Executive Vice President Internal Audit Division
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- Note ^{/1} The Board meeting, held on 26 October 2015, resolved extending the employment of Mr. Surachai Chitratsenee, Deputy CEO and Senior Executive Vice President, Business Support Group, taking effect from 1 January 2016 to 31 December 2016.
- ^{/2} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Jason Leong Kok Yew as Executive Vice President and Acting Head of Finance group, taking effect from 1 February 2016.
- ^{/3} The Board meeting, held on 27 November 2015, resolved to appoint Mr. Narong Lerdluckanawong, Executive Vice President, Trade Finance Sales & Product Division, as Acting Head of Transaction Banking group, taking effect from 12 January 2016.
- ^{/4} The Board meeting, held on 27 November 2015, resolved to appoint Mrs. Siriporn Ambhanwong, Executive Vice President, Operations Division, as Acting Head of Group Information and Operations Division, taking effect from 12 January 2016.
- ^{/5} The Board meeting, held on 29 September 2015, resolved to appoint Mr. Tan Keat Jin as Executive Vice President, Strategy Division, taking effect from 1 October 2015.

Powers, Duties and Responsibilities:

1. Provide advice to the President and Chief Executive Officer.
 2. Monitor and evaluate performance of each business unit.
 3. Review financial and other management reports of the Bank.
 4. Devise strategy, business and capital management plans and budgets for the Bank.
 5. Identify cross-divisional and cross-border synergies.
 6. Deliberate key regulatory issues.
 7. Approve delegated authority on internal operations of non-risk related business units.
 8. Approve, revise and conduct annual reviews of the Bank's internal policies related to administration/operation/ others, which are not required by regulatory bodies to obtain the Board of Directors' approval.
 9. Approve the revision of delegation of authority and policies in relation to the Bank's reorganisation.
 10. Approve the appointment and revision of members, duties and responsibilities of Marketing and Communications Committee and Retail Business Committee.
Approve the appointment and revision of members, duties and responsibilities of Marketing and Communications Committee;
 11. Consider and decide on non-financial issues under 1Platform Project.
 12. Review, give opinions, consider and approve the proposed legal provision in case the Bank and executives are sued for damages as recommended by Corporate Legal Division.
 13. Approve fee sharing scheme for investment product selling and/or referral of customers through Retail Banking Group only in case of third party products which are not related party transactions or have no material change from the existing ones already approved by Risk Management Committee.
 14. Approve third party products with non-material change from those already approved by Risk Management Committee.
 15. Approve appointment of insurance broker for the Bank.
 16. Other matters as assigned by the Board/President and Chief Executive Officer.
- Scope: CIMB THAI Bank Group-wide

6. Risk Management Committee

Risk Management Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsenee	Deputy CEO and Senior Executive Vice President Business Support Group	Member and Alternate Chairman
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
	or Mrs. Thitawat Pothanant	First Executive Vice President Credit Evaluation Division	Alternative Member
4.	Mr. Pornchai Padmintra	Senior Executive Vice President Wholesale Banking Group	Member
	or Ms. Chittavadee Sangthong	Executive Vice President Credit and Risk Analytics Division	Alternative Member
5.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
6.	Mr. Sutee Losoponkul	Senior Executive Vice President Treasury Group	Member
7.	Head	Commercial Banking Group	Member
8.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
9.	Mr. Narong Lerdluckanawong	Executive Vice President Trade Finance Sales & Product Division	Member
10.	Mrs. Siriporn Ambhanwong	Acting Head of Transaction Banking Group	Member
		Executive Vice President Operations Division	
		Acting Head of Group Information and Operations Division	Member
11.	Mr. Tan Keat Jin	Executive Vice President Strategy Division	Member
12.	Representative from Risk Management Group		Secretary

Powers, Duties and Responsibilities:

1. Ensure that the entire risk and capital management functions of CIMB Thai and its Financial Group operate effectively, including review and concur with the following prior to submission to the Board of Directors of the Bank or the companies in the financial business group for consideration:
 - 1.1 Capital management policies and strategies, including Capital Management Framework, Strategic Risk Framework and Annual Integrated Planning Framework
 - 1.2 Policies related to Basel - Internal Capital Adequacy Assessment Process (ICAAP) including identifying, measuring, monitoring and controlling of risks to be in line with the risk and capital strategies and regulatory requirements
 - 1.3 Risk Appetite Statement
2. Concur with Stress Testing Scenario and Risk Posture prior to submission to Board Risk Committee (BRC) for approval.
3. Enhance shareholder value through evaluation of risk-return profiles of business activities and ensuring that they are within the parameters set by the Board of Directors or Board Risk Committee.
4. Approve or concur with risk frameworks, policies, limits and MATs of CIMB Thai and its Financial Group as follows:
 - For matters required by regulator(s) to be approved by BOD
 - 4.1 Concur with risk frameworks, policies, limits and MATs prior to submission to the Board of Directors of the Bank or the companies in its Financial Group for approval.

For matters permitted by regulator(s) to be approved by BOD-delegated committee

- 4.2 Concur with new or changed risk management framework/policy that may result in material increase in risk level prior to submission to BRC for consideration.
- 4.3 Concur with risk limits and MATs prior to submission to BRC for consideration.
- 4.4 Approve changes to the existing risk frameworks/policies of CIMB Thai that result in non-material increase in risk level.
- 4.5 Concur with changes to the existing risk frameworks/policies of the companies in its Financial Group that result in non-material increase in risk level prior to submission to the respective Board of Directors of the companies in its Financial Group for approval.
5. Approve underwriting criteria and delegated authorities (including credit facility approval) under product program and other risk-related delegated authorities (excluding credit facility approval) of CIMB Thai.
6. Concur with underwriting criteria and delegated authorities (including credit facility approval) under product program and other risk-related delegated authorities (excluding credit facility approval) of Financial Group prior to submission to the respective Board of Directors of the companies in Financial Group for approval.
7. Review and ensure that infrastructure, resources, systems and other capabilities of CIMB Thai and its Financial Group are in place for risk management to maintain a satisfactory level of risk management and discipline and that the risk awareness culture is pervasive throughout the organization.
8. Review and ensure the following are in line with regulatory requirements prior to submission to Board Risk Committee for consideration:
 - 8.1 Risk-related disclosures
 - 8.2 Internal control over process of risk-related disclosures
9. Compliance
 - 9.1 Enforce compliance with all the risk management frameworks, policies, risk limits and delegation of authorities of CIMB Thai and its Financial Group
10. Consider or approve risk identification and measurement, including but not limited to the following:
 - 10.1 Methodologies to identify and measure all the risks
 - 10.2 Strategies to assess, monitor and control the risks to be within the appropriate levels (e.g. score cut-off, Asset Quality Trigger (AQT) for Retail portfolio, etc.)
11. Risk measurement tools
Concur with risk measurement tools including risk models and validation reports (as appropriate) prior to submission to BRC or Board of Directors of the companies in Financial Group for consideration.
12. Maintenance of asset quality
Ensure the asset quality of CIMB Thai and its Financial Group through close monitoring of credit approval process, approval of new loans and remedial actions for non-performing loans.
13. Concur with Business Continuity Management (BCM) Framework and Policy of CIMB Thai and its Financial Group prior to submission to the Board of Directors of the Bank or the companies in Financial Group for approval.
14. Consider and propose the appointment of new risk committees to BRC for approval.
15. Consider and approve the appointment of new members and changes of members as well as powers, duties and responsibilities of the following committees:
 - 15.1. Basel Committee
 - 15.2. Operational Risk Management Committee
 - 15.3. Credit Risk Committee
 - 15.4. Outsourcing/Insourcing Committee
 - 15.5. Reputational Risk Committee
 - 15.6. BIBOR Committee
 - 15.7. Any other risk committees appointed and reporting directly to Risk Management Committee
16. Consider and approve the appointment and changes of members of Credit Committee Level 3 as appropriate.

Scope: CIMB Thai Financial Group (where appropriate)

7. Credit Risk Committee

The Credit Risk Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mrs. Panute Na Chiangmai (Representative from Risk Management Group)	Senior Executive Vice President Risk Management Group	Member and Alternate Chairperson
3.	Mr. Surachai Chitratsenee or Mr. Chalernpol Decharit	Deputy CEO & Senior Executive Vice President Business Support Group Senior Vice President NPL & NPA Management Team	Member Alternate Member
4.	Mr. Somkiat Sethasompope	Executive Vice President Commercial Credit Analysis Division	Member
5.	Ms. Onanong Udomkantong or Mr. Ekasith Phrutthipalakorn	Executive Vice President Retail Loan Products First Vice President Retail Loan Business Development	Member Alternate Member
6.	Ms. Chittavadee Sangthong or Mrs. Wimonrat Seriniyom	Executive Vice President Credit and Operational Risk Analytics Division Executive Vice President Corporate Banking Group	Member Alternate Member
7.	Mrs. Thitawat Pothanant (Representative from Risk Management Group)	First Executive Vice President Credit Risk Division	Member
8.	Mr. Anuwat Chuenchon	Representative from Risk Management Group	Secretary

Powers, Duties and Responsibilities:

The Credit Risk Committee reports to Risk Management Committee on all credit related activities of the Bank and its Financial Group. The responsibilities of Credit Risk Committee include the following:

1. Approve the change/improvement of process, report template which is related to credit risk management, including early warning and its related process to improve risk management.
2. Monitor the credit quality of the Bank and subsidiaries in the Financial Group as well as recommend recovery actions to be taken against troubled-debt cases.
3. Approve relevant lending guidelines and sectors analysis report, including recommended business sector and industry early warning signal report to improve risk management.
4. Approve (for CIMB Thai) / concur (for Financial Group) with changes to underwriting criteria under product programs of CIMB Thai and its Financial Group which result in non-material increase in risk.
5. Any other functions as and when directed by Risk Management committee or Board Risk Committee.

8. Credit Committee Level 2

The Credit Committee Level 2 is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsenee	Deputy CEO & Senior Executive Vice President Business Support Group	Member and Alternate Chairman
3.	Mrs. Panute Na Chiangmai (Representative from Risk Management Group)	Senior Executive Vice President Risk Management Group	Member
4.	Mr. Somkiat Sethasompope (Representative from Commercial Banking Group)	Executive Vice President Commercial Credit Analysis Division	Member

5.	Mrs. Thitawat Pothanant (Representative from Risk Management Group)	First Executive Vice President Credit Risk Division	Member
6.	Mrs. Wimonrat Seriniyom (Representative from Wholesale Banking Group) or Ms. Chittavadee Sangthong	Executive Vice President Corporate Banking Group Executive Vice President Credit and Operational Risk Analytics Division	Member
7.	Mr. Narong Lerdluckanawong (Representative from Transaction Banking Group)	Executive Vice President Trade Finance Sales & Product Division	Member
8.	Credit Committee Level 2 Secretary Team		Secretary

Powers, Duties and Responsibilities:

The Credit Committee Level 2 reports to the Board Risk Committee on all credit related activities of the Bank's group. The responsibilities of the Credit Committee Level 2 include the following:

1. Approve credit facilities including investments in debt instruments or hybrid financial instruments without embedded derivatives for customer and/or group of customers having aggregate limits and global rating (on a group basis) as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Not over THB 500 million	Not over THB 500 million
Rating 9 and better	Over THB 500 million up to THB 800 million	Over THB 500 million up to THB 800 million
Rating 7 and better	Over THB 800 million up to THB 2,000 million	Over THB 800 million up to THB 2,000 million
Rating 4 and better	Over THB 2,000 million up to THB 3,000 million	Over THB 2,000 million up to THB 3,000 million

Group rating is the weighted average of the global obligor rating (based on credit limit excluding DSR limit) of all companies in the group

- Revolving credit: credit Limit = approved credit line
- Non-revolving credit: credit Limit = outstanding + available line for drawdown

For customers which are in the groups that have specialized lending accounts and have not been rated, the Credit Committee Level 2 shall approve for customer and/or group of customers within the aggregate limits of not over THB 500 million. Once the rating is ready to implement for specialized lending accounts, the above table is to be applied.

2. Review and approve annual review, changes of terms and conditions for credit facilities originating Group-wide including investments in debt instruments or hybrid financial instruments without embedded derivatives for the customer and/or group of customers having aggregate limits as follows;

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to the lending limit according to the Bank of Thailand's criteria	All limits

3. Recommend for the Board's approval, where necessary, all credit proposals and/or investments in debt instruments or hybrid financial instruments without embedded derivatives for customers and/or group of customers not under authority of the Credit Committee Level 2, and all proposals for investment in debt instruments with embedded derivatives and all lending to related parties.
4. Approve temporary excess of facility limit for a period of no longer than one year and the excess shall not be more than 10% of total limit extended to such customer for customer and/or group of

customer having aggregate limit and/or global rating beyond the Credit Committee Level 2's approval credit authority as stated in clause 1 as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Not more than 10% of total limit (excluding DSR Limit)	Not more than 10% of total limit (DSR limit only)

5. Ensure the group's overall loans portfolio meets with the guidelines of regulatory authorities and approved credit policies and procedures.
6. Approve any actions relating to troubled loans which are under the authority of Credit Committee Level 2, including debt settlement or debt restructuring as follows:
 - 6.1. Approval of debt settlement or debt restructuring with hair cut or write off within the existing loan loss provision for credit facilities extended to the customer and/or group of customers having aggregate limits as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 500 million	Up to THB 500 million

- 6.2. Approval of debt settlement or debt restructuring with no hair cut or write off for credit facilities extended to the customer and/or group of customers having aggregate limit as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to the lending limit according to the Bank of Thailand's criteria	All limits

7. Review and approve loan classification and loan loss provisions for each loan and all credit limits.
8. Assess the risk return trade-off when approving credit facilities to ensure that facilities granted are within the risk appetite of the group.
9. Determine, review and override baseline obligor rating of each loan and all credit limits as deemed appropriate.
10. Approve PSR passive excess for each loan and all credit limits.
11. Review and approve the sales of non-performing assets formerly used as premises for the Bank's operations or for use by staff and employees of Bank that have the aggregate cost of not exceeding THB 50 million.
12. Review and approve the management of non-performing assets (NPA) obtained from the transfer of collateral to the Bank to settle debt or from public auction of the collateral, including approval of selling price, sale procedures and payment conditions, whereby the aggregate cost of the sale of NPAs to any single person or group of persons shall not exceed THB 500 million.
13. Recommend to the Boards of companies in the Bank's Financial Group for approval of credit facilities, investments and debt restructuring/ debt settlement without or with haircut/ write-off (if any) within the existing loan loss provision for the customer and/or group of customers having aggregate limits up to legal lending limit, including the management of non-performing assets.
14. Other matters as assigned by the Board.

Note Aggregate limit is total credits granted to and/or contingent liabilities undertaken for and/or investments made in the customer and/or group of customers or principal outstanding and accrued interest plus investments, whichever is higher.

Scope: CIMB Thai Financial Group

9. Retail Business Committee

The Retail Business Committee is composed of:

- | | | |
|-----------------------------|--|-----------------------|
| 1. Mr. Subhak Siwaraksa | President and CEO | Chairman |
| 2. Mr. Adisorn Sermchaiwong | Senior Executive Vice President
Retail Banking Group | Alternate
Chairman |
| 3. Mrs. Panute Na Chiangmai | Senior Executive Vice President
Risk Management Group | Member |

	or Ms. Sasima Thongsamak	Senior Vice President Retail Risk Team	
4.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
5.	Mrs. Siriporn Ambhanwong	Executive Vice President Operations Division Acting Head of Group Information and Operations Division	Member
6.	Mr. Prapas Thongsuk	Executive Vice President Corporate Communications Division	Member
7.	Ms. Dusanee Klewpatinontha	Executive Vice President Wealth Products and Consulting	Member
8.	Ms. Onanong Udomkantong	Executive Vice President Retail Loan Products	Member
9.	Mrs. Kanokpai Vongsatitporn	Executive Vice President Human Resources Management Division	Member
10.	Head	Cards and Fee Based Products	Member
11.	Ms. Sariya Taweelang	Senior Vice President Retail Deposit and Customers	Member
12.	Ms. Piyawan Thianphranon	Senior Vice President Retail Business Finance Team	Member & Secretary

Powers, Duties and Responsibilities:

1. Formulate strategies and initiatives for business growth of retail business, taking into consideration the prevailing market conditions and the Bank's resources, competitive environment and risk appetite.
2. Analyze the medium to long-term development strategies and investment decisions of the Retail Banking Group and the subsidiaries in retail business (including lending, collection, deposit-taking, branch and branch services, credit card, all retail products or services, and back office infrastructure) (hereon referred to as "Retail Business") for submission to Management Committee.
3. Approve/ concur business plans, budgets, strategic plans and sales promotion of Retail Business.
4. Review and monitor overall performance of Retail Business with details as follows:
 - 4.1. Retail banking portfolio performance and retail banking profitability (P&L) by product, customer, channel, campaign and special promotion.
 - 4.2. Marketing plan including branding, sales promotion, advertising and product design.
 - 4.3. Operation/ IT which is related to Retail Business, e.g. down time issue, turn-around time, etc.
 - 4.4. Risk performance which has impacts on Retail Business, e.g. credit criteria, credit processing, etc.
 - 4.5. Staff turnover of Retail Business, including other arising issues.
5. Delegate an authority of approval to Retail Banking Group Head and Strategy & Finance Group Head for the framework and concept of incentive* scheme designed for the Bank's staff, e.g. determination of return payment, return rate, etc., and any changes in relation to framework and payout of the new or existing scheme only with the case that expenses ≤ THB 0.5 million. In case of excess of THB 0.5 million, proposal to Retail Business Committee is required.
6. Delegate an authority of approval to Retail Banking Group Head and Strategy & Finance Group Head for new marketing plan, sales promotion plan, media and advertising, and other related expenses** (excluding interest rates and fees) only with the case that expenses ≤ THB 0.5 million. In case of excess of THB 0.5 million, proposal to Retail Business Committee is required.
7. Delegate an authority of approval to the Chairman and Managing Director of subsidiaries for the framework and concept of incentive* scheme designed for the subsidiaries' staff, and for new marketing plan, sales promotion plan, media and advertising, and other related expenses** only with the case that expenses ≤ THB 0.5 million, which shall be proposed for acknowledgment at the next Retail Business Committee's meeting. In case of excess of THB 0.5 million, proposal to Retail Business Committee is required.
8. Perform any other functions as assigned by the Management Committee or the President and CEO.

*Incentive is payment to the Bank's employees (staff and direct sale staff) in form of cash or non-cash item, i.e. gold and other benefits that are taxable such as travelling package, etc., which is on top of compensation in form of salary.

Note If any incentive scheme, though approved within the expense limit of THB 0.5 million, actually incurs expenses exceeding THB 0.5 million, it shall require acknowledgment at the upcoming Retail Business Committee's meeting.

**Relevant expenses are sales promotion expense, advertising & public expense, marketing activity & event expense and other acquisition expense, excluding regular marketing expenses, i.e. marketing material expense: brochure, leaflet, welcome pack, lounge benefit, etc.

10. Assets and Liabilities Management Committee

The Assets and Liabilities Management Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsenee	Deputy CEO & Senior Executive Vice President Business Support Group	Member and Alternate Chairman
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
	Mr. Radhapol Chudhangkura	Senior Vice President Asset and Liability Management Team	Alternate Member
	Mr. Somchai Yongkrittaya	Senior Vice President Market Risk Team	Alternate Member
4.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
	Mrs. Pannee Deesilpakij	Senior Vice President Wholesales Finance Team	Alternate Member
5.	Mr. Tan Keat Jin	Executive Vice President Strategy Division	Member
6.	Mr. Sutee Losoponkul	Senior Executive Vice President Treasury Group	Member
	Mr. Pao Chatakanonta	Senior Executive Vice President Deputy Treasurer	Alternate Member
	Ms. Panawan Wongakkarakul	Executive Vice President Funding Division	Alternate Member
7.	Mr. Pornchai Padmintra	Senior Executive Vice President Wholesale Banking Group	Member
	Ms. Somjittra Dhanasobhon	Executive Vice President Business Management Division	Alternate Member
8.	Head Mr. Chatchawal Apinyanant	Commercial Banking Group Senior Vice President Product and Business Development Division	Member Alternate Member
9.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
	Ms. Sariya Taweasang	Senior Vice President Retail Deposit and Customers	Alternate Member
10.	Mr. Narong Lerdluckanawong	Executive Vice President Trade Finance Sales & Product Division	Member
	Mr. Radhapol Chudhangkura	Acting Head of Transaction Banking Group Senior Vice President Asset and Liability Management Team	Secretary

Powers, Duties and Responsibilities:

The objective of ALCO is to oversee the asset and liability management (ALM) risks, focusing on the entire balance sheet and:

1. Ensure that business lines align with CIMB Thai's overall objectives and are proactively controlled with regard to key ALM risks (funding and liquidity risk and interest rate risk in banking book).
2. Ensure that all ALM risks remain within the risk appetite set by the Board of Directors or delegated committee, i.e. Board Risk Committee (BRC).
3. Review and concur with appropriate strategies developed in response to emerging ALM risks in the Bank's portfolios.
4. Review the Fund Transfer Pricing (FTP) framework and mechanism to ensure all businesses align with and are incentivized according to the Bank's strategic objectives and risk appetite.
5. Review the net interest income (NII) performance, evaluate and assess the impact of potential drivers of earnings volatility.

11. IT Strategic Planning Committee

The IT Strategic Planning Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Alternate Chairman
3.	Mrs. Siriporn Ambhanwong	Executive Vice President Operations Division Acting Head of Group Information and Operations Division	Member
4.	Mrs. Panute Na Chiangmai or representative from Risk Management Group	Senior Executive Vice President Risk Management Group	Member
5	Mr. Adisorn Sermchaiwong or Mrs. Somchit Chuenchomchat	Senior Executive Vice President Retail Banking Group Senior Vice President Retail Sales Management and Supports	Member
6.	Ms. Winita Kimsawadi	Senior Vice President Financial Reporting Department	Member
7.	Mr. Tapakorn Siritanawutichai	Executive Vice President Technology Division	Member and Secretary
8.	Mr. Boonkiat Ekwanich	First Vice President Information Technology Audit Department	Adviser

Powers, Duties and Responsibilities:

1. Define short and long term IT plans, project priorities and appropriate budget and resources.
2. Determine the IT strategic plan support the overall organizational strategic business plan.
3. Consider and determine technical projects, procurement and efficiency enhancement of technological systems and relevant equipment.
4. Define and monitor the effectiveness in implementing key IT policies and procedures, e.g. IT security policy, IT governance policy, IT risk management framework.
5. Approve, revise and conduct annual reviews of the Bank's internal IT-related policies.
6. Monitor the overall efficiency, performance and effectiveness of IT services.
7. Monitor the progress of each IT project in association with the strategies approved.
8. Appoint appropriate sub-committees or working groups to carry out the assignments;
9. Approve IT project of which the project cost exceeds THB 1 million but less than THB 100 million.
10. Review and endorse recommendations on IT projects the project cost of which exceeds THB 100 million.
11. Approve the procurement under a special process for IT projects.
12. Approve disbursement of the 1Platform R 1.1 budget of up to MYR 24 million and R 2.0 budget of up to MYR 2.467 million, totaling around MYR 26.467 million.

13. Ensure the success of the 1Platform Project implementation through engagement with various stakeholders and relevant parties.
 14. Make and approve decision on the strategy, direction, timeline, resources, staffing, financial and budget of projects.
 15. Review status and approve key project deliverables.
 16. Remove roadblocks and provide ongoing support for project teams.
 17. Consider and acknowledge the report of project status.
 18. Ensure compliance with the governance and administrative structure of the 1Platform Project.
 19. Resolve business-critical IT performance issues.
 20. Resolve cross-functional project delivery issues.
 21. Review post implementation review (PIR) papers for implemented projects to ascertain project management quality and meet the deliverables of business cases.
 22. Establish priorities and monitor status of IT projects and compliance towards service level agreements.
 23. Appoint Pre-ITSPC Review Team to review business case papers before submission to ITSPC.
- Scope: CIMB Thai Bank Group-wide

12. Market Risk Committee Thailand

The Market Risk Committee Thailand is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Surachai Chitratsenee	Deputy CEO & Senior Executive Vice President Business Support Group	Member
3.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Member
4.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
	or Mrs. Pannee Deesilpakij	Senior Vice President Wholesales Finance Team	Alternate Member
5.	Ms. Chittavadee Sangthong	Executive Vice President Credit and Risk Analytics Division	Member
	or Mrs. Wimonrat Seriniyom	Executive Vice President Corporate Banking Group	Alternate Member
6.	Mrs. Thitawat Pothanant	First Executive Vice President Credit Risk Division	Member
7.	Ms. Sumalee Boonanan	Senior Vice President Treasurer's Office and Risk Analytics Team	Member
	or Ms. Pacharin Sanglerdsilapachai	Vice President Treasurer's Office & Risk Analytics Team	Alternate Member
8.	Mr. Somchai Yongkrittaya	Senior Vice President Market Risk Team	Member
9.	Representative from Risk Management Group		Secretary

Powers, Duties and Responsibilities:

1. Evaluate underwrite proposals for primary and secondary market and off-market (resulting from mergers and acquisitions) deals for debt and equity instruments from the Group, namely:
 - 1.1. Underwriting of IPO, equity offerings and rights issues and underwriting or bought deals for debt securities issuance
 - 1.2. Secondary market block placements
 And ensure that the pricing of any proposal is adequate to compensate the risk, with sufficient measures taken to mitigate risk amidst adverse market movement and to assess market conditions conducive for the success of the deals.
2. Approve in firm debt underwriting transaction for primary market of up to THB 500 million with the minimum debt rating of A-.
3. Review and recommend to the Board of Directors/ delegated Board member(s) of CIMB Thai for approval of firm underwriting or bought deal for debt securities issuance.

4. Review and recommend to the Board of Directors/ delegated Board member(s) of CIMB Thai for approval of the holding amount of any debt securities for market making purpose with the following conditions:
 - 4.1. The debt securities are underwritten by CIMB Thai.
 - 4.2. Within 90 days after the issue date, the holding amount must be within the limit approved by the Board of Directors/ delegated Board member(s) of CIMB Thai.
 - 4.3. After 90 days from the issue date, the holding must not exceed 15% of the underwriting amount subject to the overall cap of market making portfolio.

Scope: CIMB Thai's Financial Group

13. Marketing and Communications Committee

The Marketing and Communications Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Prapas Thongsuk	Executive Vice President Corporate Communications Division	Alternate Chairman
3.	Mr. Jason Leong Kok Yew	Executive Vice President Acting Head of Finance Group	Member
4.	Mr. Adisorn Sermchaiwong	Senior Executive Vice President Retail Banking Group	Member
5.	Mrs. Kanokpai Vongsatitporn	Executive Vice President Human Resources Management Division	Member
6.	Ms. Sunitta Yodsheewan	First Vice President Public Relations and CSR Team	Secretary

Powers, Duties and Responsibilities:

1. Provide strategic direction and guidance for CIMB Thai Bank group wide in alignment with its brand management and positioning across all businesses and markets.
2. Review and approve all marketing plans, including above-the-line (ATL) and below-the-line (BTL) campaigns.
3. Address all elements with regard to general advertising spending and associated media exposure.
4. Review and approve all internal and external communications processes and mediums.

Scope: CIMB THAI Bank Group-wide

14. Product Development Committee

The Product Development Committee is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mr. Jason Leong Kok Yew or Mrs. Pannee Deesilpakij	Executive Vice President Acting Head of Finance Group Senior Vice President Wholesales Finance Team	Member and Alternate Chairman Alternate Member
3.	Mrs. Panute Na Chiangmai or Ms. Suchada Phokasub	Senior Executive Vice President Risk Management Group Senior Vice President Risk Analytics and Infrastructure Division	Member Alternate Member
4.	Mrs. Siriporn Ambhanwong or Mr. Piyawat Jirapongsuwan	Executive Vice President Operations Division Acting Head of Group Information and Operations Division Senior Vice President Business Engineering Division	Member Alternate Member
5.	Mr. Thaphop Kleesuwan	Executive Vice President Compliance Department	Member

	or Mr. Sirapong Chaiyatachapatana	Vice President Banking Compliance & Investor Business Compliance Section	Alternate Member
6.	Mrs. Siriporn Ambhanwong	Executive Vice President Operations Division	Member
	or Mr. Thiti Supamanee	Senior Vice President Credit Operations Department	Alternate Member
7.	Mr. Tan Keat Jin	Executive Vice President Strategy Division	Member
8.	Representative from Risk Management Group		Secretary

Permanent Invitee: Ms. Siriporn Sanunpairaue, Senior Executive Vice President, Internal Audit Division
 Mr. Boonsong Teachakidatikul, First Vice President, IT Strategy and IT Governance Department

Invitee: Head of business unit who is a product sponsor and only required to attend the meeting if there is/are relevant product(s)/service(s) submitted to PDC for consideration.

Powers, Duties and Responsibilities:

1. Review products or services (“Products”) of CIMB Thai or the third-party product(s) to be marketed by the Bank as follows:
 - 1.1. Treasury products
Concur with new Treasury products, annual review or changes to the existing Treasury products prior to submission to the Board of Directors for approval.
 - 1.2. Non-treasury products
Approve new products or changes that result in material increase in risk to the existing products.
 - 1.3. Third-party products.
Approve new third-party products or changes that result in material increase in risk to the third-party products.
2. Review products of CIMB Thai’s Financial Group or the third-party product to be marketed by the Financial Group as follows:
Concur with new products or changes to the existing products of Financial Group and third-party product that result in material increase in risk prior to submission to the respective Board of Directors of the companies in the Financial Group for approval.
3. New third-party of the Bank and Financial Group
Concur with new third-party(ies) (excluding CIMB Principal and CIMB Thai’s Financial Group) prior to submission to Board Risk Committee for consideration.
4. Review the competitiveness of the products and ensure that the Bank and its Financial Group have enough resources to launch the Products and the Products suit the needs and the financial capability of the targeted consumer segments.
5. Review and ensure that there is appropriate and adequate risk assessment of the Products and the process/procedure in managing and controlling such risks are in place before launching the products.
6. Review the profitability of the products and ensure that the cost and benefit is justified.
7. Review operational process to ensure that the IT systems and operating processes of the Bank and its Financial Group are adequate or need enhancement to accommodate the launch of the products.
8. Approve the Bank’s IT system/ process or system/ process enhancement and the Bank’s IT budget, up to THB 5 million for launching each product.
9. Review and assess the products of the Bank or the third-party products of the Bank and the third party after being launched and make recommendation for improvement.

Scope: CIMB Thai’s Financial Group (where appropriate)

15. Credit Committee Level 3

The Credit Committee Level 3 is composed of:

Set 1 shall consist of:

1	Mr. Boonrat Chuenurajit	Chairman
2	Ms. Jitrinee Tanskul	Member
3	Mr. Amnoey Thessiri	Member
4	Mr. Chalernpol Decharit	Member
5	Mr. Suvat Himinkool	Member
6	Credit Committee Secretary Team	Secretary

Set 2 shall consist of:

1	Ms. Apinya Punjajitti	Chairperson
2	Mr. Tada Potiwihok	Member
3	Mr. Wongkasem Karnthanat	Member
4	Ms. Siriporn Sirisingha	Member
5	Mr. Navapan Tonthadilok	Member
6	Credit Committee Secretary Team	Secretary

Powers, Duties and Responsibilities:

The Credit Committee Level 3 reports to the Credit Committee Level 2 on all credit related activities of the Bank's group. The responsibilities of the Credit Committee Level 3 include the following:

1. Review and approve credit facilities extended to the customer and/or group of customers having aggregate limits as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 150 million	Up to THB 150 million

2. Recommend for the Board approval all lending to related parties for credit proposals as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 150 million	Up to THB 150 million

3. Ensure the Bank Financial group's overall loan portfolio meets with the guidelines of regulatory authorities and approved credit policies and procedures.
4. Review and approve recovery action including troubled-debts which were purchased from others and review loan classification, loan loss provisions and write-offs including the approval of debt restructuring/ debt settlement without or with haircut or write-off (if any) within the existing loan loss provision for credit facilities extended to the customer and/or group of customers having aggregate limits as follows:

Group Rating	Customer and/or Customer Group Limit (Excluding DSR Limit)	Customer and/or Customer Group Limit (DSR Limit Only)
All ratings	Up to THB 150 million	Up to THB 150 million

5. Assess the risk return trade-off when approving loans to ensure that facilities granted are within the risk appetite of the Bank's Financial Group.
6. Determine, review and override baseline obligor rating of each loan as deemed appropriate.
7. Recommend to the boards of companies in the Bank's Financial Group for approval of credit facilities, and debt restructuring/ debt settlement without or with haircut/ write off (if any) within the existing loan loss provision for the customer and/or group of customers having aggregate limits not exceeding THB 150 million.
8. Other matters as assigned by the Credit Committee Level 2.

Note Aggregate limit is total credits granted to and/or contingent liabilities undertaken for and/or investments made in the customer and/or group of customers or principal outstanding and accrued interest plus investments, whichever is higher.

16. The Problem Loan Management Working Group

The Problem Loan Management Working Group is composed of:

1.	Mr. Subhak Siwaraksa	President and CEO	Chairman
2.	Mrs. Panute Na Chiangmai	Senior Executive Vice President Risk Management Group	Alternate Chairperson
3.	Mr. Surachai Chitratsenee	Deputy CEO & Senior Executive Vice President Business Support Group	Member
	or Mr. Chalernpol Decharit	Senior Vice President NPL & NPA Management Team	
4.	Head or Mr. Natt Harnpakdee	Commercial Banking Group Senior Vice President Commercial Credit Analysis Division	Member
5.	Mrs. Wimonrat Seriniyom	Executive Vice President Corporate Banking Group	Member
	or Ms. Chittavadee Sangthong	Executive Vice President Credit and Risk Analytics Division	
6.	Mrs. Thitawat Pothanant	First Executive Vice President Credit Risk Division	Member
7.	Officer, Credit Committee Secretary Team		Secretary

Powers, Duties and Responsibilities:

The Working Group has duties and responsibilities to acknowledge report, give advice and determine problem loan management approaches including:

- Debt rectification
- Debt restructuring
- Debt settlement and haircut
- Write-off
- Collateral operation
- Others (as deemed proper and assigned by the Management Committee)

9.3 Selection and Appointment of Directors and Executives

1. Independent director

The Bank has the selection criteria of independent directors in place, and determines the qualifications of independent directors in accordance with the Capital Market Supervisory Board Notification No. ThorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares as follows:

- (a) Hold shares not exceeding one per cent of the total number of shares with voting rights of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, including shares held by related persons of such independent director;
- (b) Neither be nor have been an executive director, employee, staff, advisor who receives a salary, or controlling person of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing the application with the Securities and Exchange Commission (SEC). Such prohibited characteristic shall not include the

case where the independent director used to be a government official or advisor of a government agency which is a major shareholder or controlling person of the Bank;

- (c) Not be a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of a child, executive, major shareholder, controlling person, or a person nominated as an executive or controlling person of the Bank or its subsidiary company;
- (j) Neither have nor have had a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, in the manner which may interfere with his/her independent judgement, and neither be nor have been a significant shareholder or controlling person of any person having a business relationship with the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the SEC.

The term 'business relationship' under the first paragraph shall include any normal business transaction for business operation, rent or lease of immovable property, transaction relating to assets or services, or granting or receipt of financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar action, which result in the Bank or the counterparty being subject to indebtedness to the other party in the amount of three percent or more of the net tangible assets of the Bank or THB 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated by the valuation method applicable to connected transactions pursuant to the Capital Market Supervisory Board Notification regarding criteria on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurring during the period of one year prior to the date on which the business relationship with the person commences;

- (e) Neither be nor have been an auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person, or partner of an audit firm which employs the auditor of the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the SEC;
- (f) Neither be nor have been a provider of any professional services including those as legal advisor or financial advisor who receives service fee exceeding THB 2 million per year from the Bank, its parent company, subsidiary company, associated company, major shareholder or controlling person of the Bank, and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing the application with the SEC;
- (g) Not be a director appointed as representative of directors of the Bank, major shareholder or shareholder who is related to the major shareholder;
- (h) Not undertake any business in the same nature as and in material competition with the business of the Bank or its subsidiary company, or not be a significant partner in a partnership, or not be a director involved in management, employee, staff, advisor who receives a salary or holds shares exceeding one percent of the total number of shares with voting rights of another company which undertakes business in the same nature as and in material competition with the business of the Bank or its subsidiary company;
- (i) Have no other characteristics which would disable expression of independent opinions on the Bank's business operations.

Upon appointment as independent director with qualifications as stated from (a) to (i) in the first paragraph, the independent director may be assigned by the Board to take part in the business decisions of the Bank, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or controlling person of the Bank, on a collective decision basis.

2. Selection of Directors and Executives

Selection, Appointment and Removal of Directors

The Board of Directors shall be elected by the shareholders. The Bank has put in place director nomination procedures that are transparent and open for inspection. The Board shall accordingly appoint Nomination, Remuneration and Corporate Governance Committee to take charge of selecting and nominating qualified persons who have no disqualifications according to the law for appointment as directors by recommending them through the Board before submitting to the meeting of the

shareholders for approval and appointment. This process shall comply with the rules and procedures on appointment and removal of directors as specified in the Bank's Articles of Association as follows:

1. According to the shareholders' resolution, the Board of Directors shall comprise no fewer than 5 and no more than 12 members, with at least half the board members having domicile in Thailand.
2. Article 16 of the Bank's Articles of Association provides for the following voting procedure:
 - (1) Each shareholder shall have the number of votes equal to the number of shares held. One share is entitled to one vote;
 - (2) Votes shall be cast for either an individual or several directors in the number required to be elected at the respective meeting and as deemed appropriate by the meeting. In the election of either an individual or several directors, each elected person shall receive votes from each shareholder in the full amount of shares held by that shareholder pursuant to (1). The shareholder shall not allot his/her votes to any person in any number; and
 - (3) After the voting, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order in the number required in the election. Where the votes cast for candidates in the descending order are tied, and would otherwise cause the number of directors to exceed the number required to be elected at the respective meeting, the remaining appointments shall be made by drawing lots in the procedure to be determined by the Chairman of the meeting.
3. At every annual general meeting, one-third of the directors shall retire. In any subsequent years, the directors who have been in office the longest shall retire.
4. Whenever any person vacates his/her seat as a Board member for any reason other than expiry of term of office, the remaining members shall at the next Board meeting appoint another qualified and suitable director to fill that position for the remainder of the term of office of his/her predecessor except in the event that the vacant position has fewer than two months left in the term. The motion shall require the majority consent of at least 75% of the remaining members of the Board.

In addition, pursuant to the Financial Institution Business Act B.E. 2551 (2008), the Bank of Thailand (BOT) is empowered to issue an order requiring a commercial bank to remove from office any director or any person in charge of business operation that has caused serious harm to the society at large, or has failed to comply with the directives prescribed by the BOT. In this respect, the Bank is obliged to select a suitable replacement subject to approval by the BOT. The decision taken by the BOT to appoint or remove any director is conclusive.

Selection of Executives

In 2015, the Bank's principal focus was to attract talents with diverse professional backgrounds who could combine a broad spectrum of experience and expertise with integrity and drive to deliver on the Bank's business strategy and achieve its targets. An interview panel was set up in accordance with Bank policy and a selection and nomination process was formulated for all new senior executive appointments.

9.4 Governing Administration of Subsidiaries and Associate Companies

To governing administration of subsidiaries and associate companies, the Bank has appointed its executives to sit on boards of directors of those companies. The executives are responsible for keeping the Bank's Management Committee apprised of all operations and progress of the subsidiaries and associate companies on a monthly basis. The Board of Directors has also established Risk Management Committee to monitor and supervise companies in the Bank's Financial Group to ensure that their operations are in compliance with Risk Management policy prescribed by the Bank as well as regulations of the Bank of Thailand. In addition, the Board of Directors has given full support to the Audit Committee to oversee the subsidiaries and associate companies enabling the Bank to supervise and monitor operations of such companies to be in accordance with the Financial Group's policies, and to conduct audits of their financial reports to ensure accuracy and adequacy.

9.5 Governing Use of Internal Information

The Bank has oversight of use of internal information in accordance with good corporate governance. It is determined in written form and included in Corporate Governance Policy of the Bank, details of which are as follows:

The Board has set a policy and procedure to prohibit unauthorised disclosure of material, non-public information which may affect the Bank's securities. Such policy and procedure require members of the Board, executives and employees, including spouses and underaged children thereof, to refrain from using information that has become privately known to them for purchase, sale, transfer or receipt of transfer of securities of the Bank during a one-month period before such information goes to public.

Moreover, members of the Board and executives from levels of senior executive vice-president or the equivalents upward, and those holding executive positions or department heads or the equivalents upward in the accounting or finance function line are duty-bound to report every of their sale or purchase of securities of the Bank and any change of the holding thereof, to the Office of the Securities and Exchange Commission (SEC), and keep copies of such reports at the Office of the President as evidence. In addition, to ensure an efficient and transparent management, the Bank has formulated codes of conduct and guidelines for the Board, executives and employees on the use of internal information and operation guidelines with avoidance of conflicts of interest. In this regard, the Board of Directors has concurred on the above practices.

9.6 Remuneration for external auditors

The Audit Committee considers the qualifications and performance of external auditors and recommends the appointment thereof as well as proposes audit fees to the Board of Directors annually. The Board then proposes the external auditor appointment and audit fees for the consideration and approval of the general meeting of shareholders. The list of external auditors to be proposed must also be endorsed by the Bank of Thailand.

For the year ended 31 December 2015, fees paid to the external auditors were as follows:

(1) Audit fees

CIMB Thai group paid the auditors audit fees totaling THB 10.92 million. Other incidental expenses included transport and photocopying expenses.

(2) Non-audit fee

CIMB Thai group did not obtain any other services from the audit firm for which the auditors were working and there were no other services from persons or businesses related to the auditors.

9.8 Other Compliance of Corporate Governance

In 2015, meeting attendance of Board members and Board committee members was as follows:

(Unit: Attendance)

No.	Director Name (number of meetings attended/total meetings)	(1) Board	(2) Audit Committee	(3) Nomination, Remuneration and Corporate Governance Committee	(4) Board Risk Committee	(5) Management Committee	(6) Risk Management Committee	(7) Credit Risk Committee	(8) Credit Committee Level 2
1.	Dato' Robert Cheim Dau Meng	11/12	-	11/11	-	-	-	-	-
2.	Mr. Sukont Kanjana-Huttakit	9/12	17/17	-	-	-	-	-	-
3.	Mrs. Watanan Petersik	8/12	-	9/11	4/9	-	-	-	-
4.	Dato' Shaarani Bin Ibrahim	12/12	15/17	11/11	-	-	-	-	-
5.	Ms. Sopawadee Lertmanaschai	11/12	13/17	-	-	-	-	-	-
6.	Mr. Chitrapongse Kwangstith	12/12	-	-	9/9	-	-	-	-
7.	Mr. Kenny Kim	7/12	-	-	7/9	-	-	-	-
8.	Ms. Serena Tan Mei Shwen	10/12	-	-	9/9	-	-	-	-
9.	Mr. Subhak Siwaraksa	12/12	-	-	8/9	48/48	16/16	9/12	31/52

No.	Director Name (number of meetings attended/total meetings)	(9) Retail Business Committee	(10) Assets and Liabilities Management Committee	(11) IT Strategic Planning Committee	(12) Market Risk Committee Thailand	(13) Marketing & Communication Committee	(14) Product Development Committee	(15) Problem Loan Management Working Group	(16) Shareholder meeting
1.	Dato' Robert Cheim Dau Meng	-	-	-	-	-	-	-	1/1
2.	Mr. Sukont Kanjana-Huttakit	-	-	-	-	-	-	-	1/1
3.	Mrs. Watanan Petersik	-	-	-	-	-	-	-	0/1
4.	Dato' Shaarani Bin Ibrahim	-	-	-	-	-	-	-	1/1
5.	Ms. Sopawadee Lertmanaschai ¹	-	-	-	-	-	-	-	1/1
6.	Mr. Chitrapongse Kwangstith	-	-	-	-	-	-	-	1/1
7.	Mr. Kenny Kim ²	-	-	-	-	-	-	-	1/1
8.	Ms. Serena Tan Mei Shwen	-	-	-	-	-	-	-	1/1
9.	Mr. Subhak Siwaraksa	14/16	15/16	11/11	19/20	2/2	11/12	11/11	1/1

Note:

¹ The Board meeting, held on 22 January 2016, resolved to acknowledge the resignation of Ms. Sopawadee Lertmanaschai as Independent Director and Audit Committee Member, taking effect from 1 January 2016.

² The Board meeting, held on 29 September 2015, resolved to acknowledge the resignation of Mr. Kenny Kim as Board Member, taking effect from 1 October 2015.

10. Corporate Social Responsibilities

The Bank gives importance to corporate social responsibilities in core business operation as it is aware that business sustainable growth can be achieved with social responsibilities.

10.1 Social responsibility policy

The Bank recognizes the importance of rights of all stakeholders, namely employees, shareholders, customers, trading partners, creditors and government agencies. The policy for stakeholders is determined as detailed below:

Customers

The Bank is determined to protect the interests of, pay attention to and take responsibility for, as well as bring maximum satisfaction to the customers, by offering quality and efficient services and products.

Shareholders

The Bank is determined to operate its business efficiently, effectively and transparently, with appropriate and consistent growth and stability of returns to the shareholders, and to put best efforts in maintaining its assets, reputation and good image.

Employees

The Bank considers all staff a valuable resource and is thus determined to promote and develop their knowledge and capabilities for their career progress and stability and proper remuneration commensurate with their capabilities and performance.

Trade partners/creditors

The Bank adheres to operating its business with integrity on the basis of contractual compliances and under business conditions which are fair and equitable to the creditors.

Corporate social responsibility

Corporate social responsibility (CSR) is part of the Bank's policy of giving back to the society by strictly complying with the relevant laws and regulations, and assisting and supporting activities that benefit the community and the society as a whole.

Responsibility for competitors

The Bank has a policy to promote competition under fair and transparent rules and circumstances, with no access to competitors' confidential information in an unethical manner and no ill intention to the reputation of competitors through false or unfair statements or acts.

The Bank's corporate social responsibilities are determined and categorized into eight principles in line with the Stock Exchange of Thailand ("SET")'s corporate social responsibility guideline:

1. Business operation for fairness

The Bank has a policy to promote competition under fair and transparent rules and circumstances, with no access to competitors' confidential information in an unethical manner and no ill intention to the reputation of competitors through false or unfair statements or acts.

2. Anti-corruption

The Bank has a policy to operate businesses with integrity, transparency and ethics. It emphasizes the importance of staff having mutual attitudes to countering, resolving and being accountable for the

corruption issue, and encourages all employees to have common knowledge and understanding and work with integrity and in accordance with the Bank's Corporate Governance Policy and Codes of Conduct.

3. Respect for human rights

Respect the human rights specified in the constitution; for instance, to respect the rights and human dignity for all persons living in Kingdom of Thailand although there are differences in homeland, race, religion, sex, age, personal status, social or financial status, belief in religion, education, or political view points which are not against the purview of the constitution.

4. Fair treatment for labour

- Strictly comply with the law, rules and regulations relating to employees.
- Treat every employee equally, without discrimination on race, sex, skin color, religion, origins, age, physical disability or personal characteristics irrelevant to performance of duties.
- Appointment, transfer, rewarding and punishment, as well as fringe benefits for employees shall be based on their knowledge, capabilities, suitability, and conduct or performance of duties.

5. Responsibilities to consumers

- Aim at creating benefits to and satisfaction of customers by offering good quality products and services that can respond to customer needs timely and punctually.
- Strictly comply with contracts, agreements or conditions committed to customers. In case of inability to comply, the Bank shall inform the customers thereof in advance in order to jointly work out solutions to prevent any possible damage.

6. Environment maintenance

The Bank complies with laws and regulations regarding environment as well as efficiently ensure the safety and environment. Its employees are encouraged be aware of and have responsibilities for environment and community seriously and continuously. Safety, Occupational Health and Working Environment Policy is prepared to ensure the efficiency of continuous operation of this issue as per the safety, occupational health and working environment standard.

7. Community and social development

The main concept of CIMB Thai Community Link is not only for a long-term participation of the branch teams to create the most suitable project but the Bank will also invite executives, employees, and customers to participate in the activities. The Community Link project which will be financially supported by CIMB Foundation, Malaysia can be considered as a way to give back to the Thai society with the use of foreign capitals.

8. Innovation and its distribution

The Bank has a policy to offer products and services that respond the customers' need. It also supports the energy reservation by offering CIMB Thai's Clean Energy Loan to facilitate the customers who want to make energy efficiency investment.

10.2 Operation

The eight principles of the SET's corporate social responsibilities that the Bank conforms to are:

1. Business operation for fairness

The Bank operates business using transparent and auditable credit underwriting criteria and complying with regulatory requirements. In addition, the Bank has measures to prevent any

transaction having conflict of interest, related party transaction or inappropriate related transaction. Policies are determined as follows:

- Making of such significant transactions as connected transactions and/or acquisition or disposal of assets of the Bank shall comply with the rules and regulations of the relevant regulators.
- The Bank has a policy to consider granting of credits to or making investments or commitments or making credit-like transactions with its major shareholder, or to the business in which directors or persons with managing power have beneficial interests in all cases pursuant to the ratio prescribed by the BOT. Such transactions are subject to unanimous approval by the Board and without involvement in the consideration and approval thereof by directors or persons with managing power who have beneficial interests in such credit or investment granting or credit-like transactions.

2. Anti-corruption

Being aware of the responsibility for all stakeholders, the Bank's Board of Directors ensures that channel is provided for making whistleblowing or complaints directly to the Chairman, the Chairman of the Audit Committee or the President and Chief Executive Officer. The channel is provided on the Bank's website. During the Bank's investigation, the names of the whistleblowers or the complainants will be kept confidential to protect them from any impact.

To ensure that the Bank has appropriate practice and regulation for corruption prevention, the Bank has prepared the "Policy and Procedures on Anti-Corruption" to be strictly complied with by the directors, executives, staff and subsidiaries. The Bank has also reviewed the practice, responsibility structure, risk management system, internal control and audit to prevent any internal fraud. Apart from the announcement of the Policy and Procedures, e-learning on this matter is provided to enhance the staff's knowledge and understanding.

The Bank was among the first group of organizations participating in the declaration of intention to join the "Private Sector Collective Action Coalition against Corruption" or CAC on 9 November 2010. Mr. Chakramon Phasukavanich, the Bank's then Chairman, signed the declaration and had consistently supported the Bank to participate in the certification process in order to establish a standard in business operation with transparency, integrity and social responsibility. On 16 January 2015, the Bank was officially certified to be the "CAC Member" by the Private Sector Collective Action Coalition Against Corruption Council.

3. Respect for human rights

Human rights are the fundamental rights all human beings equally have regardless of race, skin, gender, language, religion, political opinion, or other belief. To promote and protect human rights together with government agencies, the Bank has the following practices in place:

- All staff of the Bank has the equal rights in the workplace under the rules, regulations, announcements, and orders of the Bank.
- The Bank adheres to the principles of justice and sincerity in its management by complying with business ethics and etiquettes towards all stakeholders.
- The Bank has the employment standard laws, regulations, orders, and guidelines established devoid of use of forced labor and harassment or abuse in any case.
- All employees of the Bank receive safety rights protection according to the administration and management of the occupational health and safety and workplace environment.
- The Bank provides welfare benefits for the Bank's employees in addition to those required by laws as well as other benefits. Additionally, the Bank has set criteria and regulations for internal use as deemed appropriate

4. Fair treatment for labour

The Bank has provided employee benefits such as provident fund, social security fund, life insurance, medical treatment, annual health check-up, staff clinic, housing loan, car/motorcycle loan, staff education loan and general purpose loan, that are competitive against other leading banks to attract and retain talented and competent staff. The total fixed salary paid to Bank employees for the fiscal

year was THB 2,026.05 million. To be an employer of choice, the Bank will continue to improve its staff benefits to attract and retain quality staff.

In 2015, the Bank has developed human resources management system with focus on developing existing internal personnel to become a leader and successor to various key positions in the organization with competency based learning. Training roadmap was in place for branch staff at all levels to ensure increased skills in serving as a professional financial advisor. The Bank has also emphasized on providing all staff levels with leadership programmes, and implemented Learning Management System (LMS) via E-learning for key mandatory training programmes for all staff. Its focus has also been on building an organization culture under CIMB Group's A Better CIMB theme.

5. Responsibilities to consumers

- Provide accurate, adequate and updated information on products and services to customers to support their decision-making, carrying no exaggerated statements that may mislead customers about the quality and conditions pertaining to the products and services.
- Give importance to keeping customers' information confidential, and not use it to seek personal interests or those of related persons.

6. Environment maintenance

The Bank has also attached great importance to social and environmental projects. Altogether six projects were undertaken in the previous year with focus on community involvement and building of learning centres in community to ensure sustainability. We conducted theoretical and practical seminars with local wise men and experts encouraged to join for network building and preservation and transfer of folk wisdom crystallised from real experiences, to younger generation.

7. Community and social development

CIMB Thai Bank has continuously carried out CSR projects and activities with focus on collaborating and cooperating with CIMB network to do good and give back to Thai society. These activities have been joined by our customers, business alliances from public and private sectors, mass media and our employees, reflecting close cooperation of all sectors in the society. Our top executives and staff members have put joint voluntary efforts in driving all CSR projects to fruitful and successful outcomes, with support and assistance rendered in monetary and non-monetary forms.

The Bank carried out 10 CSR projects and activities in 2014, and altogether almost 60 projects and activities since 2011, covering fields of education, environment, and social and community development. (Details of which are disclosed in the 2015 Annual Report, CSR Projects and Activities.)

8. Innovation and its distribution

The Bank has expertise in energy reservation and renewable energy projects by having been promoting energy efficiency since 2001 and is accepted by both public and private sectors, local and international. In 2011, the Bank received Thailand Energy Awards 2011 and ESCO Excellent Supporting Bank Award for being commercial bank putting emphasis on and having expertise in loan for energy reservation and renewable energy.

11. Internal Controls and Risk Management

The Bank has established the organisational structure, policies and work procedures that ensure that effective risk management and internal control systems are put in place, enabling stable business growth and compliance with good corporate governance principles.

The Bank has established the organisational structure, policies and work procedures that ensure that effective risk management and internal control systems are put in place, enabling stable business growth and compliance with good corporate governance principles.

- Organisation and environment

The Bank has structured its organisation taking into account proper segregation of duties that will contribute to effective risk management and internal control as well as monitoring and audit systems. It has also consistently monitored the operations of its staff to be in line with the code of ethics and best practice in business operations with fair treatment of its stakeholders. Short- and medium-term business plans have been worked out to determine business strategy and framework, which are communicated to the staff at managerial levels bank-wide for their awareness and implementation to achieve the plans and targets set forth.

- Risk management

The Bank has realised the significance of risk management covering both internal and external risk factors. Risk Management Committee has been appointed by the Board of Directors with relevant roles, duties and responsibilities defined and operations of which assessed to ensure conformity with the risk management plan in place. Risk Management Group is in charge of formulating risk management policy and procedures of the Bank as well as setting up the risk control and monitoring mechanisms, and continuously strengthening the risk ownership of all staff.

- Oversight of executive management

The Bank has clearly defined, documented and regularly reviewed the scope of authority and responsibilities conferred on or delegated to executive officers at different levels. A clear division of responsibility between various management positions provides a mechanism for checks and balances between senior executives.

Executive management is required to bring to the attention of the Board any transactions that concern major shareholders, directors, and senior executives or parties related to them. In addition, the Bank has put in place policies and procedures governing the approval of loans for, or investment in businesses in which the Bank or its senior executives have material interest, including in relation to shareholders or senior executives.

In addition to the above, the Bank has established the Compliance Department to provide oversight and support to ensure that the Bank conducts its business in compliance with all applicable laws and regulatory requirements. The Internal Audit Division has been set up as an independent work unit to examine and ensure all Bank activities are effectively and efficiently managed and operated.

- Information and communication infrastructure

The Bank has established its accounting policies and procedures in line with generally accepted accounting principles that support the Bank's business requirements. It has developed and managed its information and database systems consistently so that significant information is accessible on an adequate and timely basis. The document management system provides an effective tool for retrieving and storing important electronic documents appropriately and safely. The policies and procedures have been communicated to relevant staff at all levels.

- Follow-up and monitoring system

The Bank has put in place processes for monitoring and reviewing the implementation of activities against the Bank's strategic objectives, policies, procedures, relevant laws, regulations, and internal

control systems. The Bank prepares an annual business plan, which is periodically reviewed to ensure its effectiveness in the rapidly changing environment. The Audit Committee is committed to ensuring that concrete actions are taken to execute recommendations and regularly monitoring resolutions to ensure that any identified issues are brought to satisfactory conclusion.

Internal Audit Division Head and Compliance Department Head

The Bank appointed Ms. Siriporn Sanunpairaue, Senior Executive Vice President, to be Internal Audit Division Head having duties to audit the management and operation of the Bank's work units in order to ensure the efficiency and effectiveness. In this regard, the consideration and approval to appoint, dismiss and transfer Internal Audit Division Head are roles and responsibilities of the Audit Committee.

In addition, the Bank appointed Mr. Thaphop Kleesuwan, Executive Vice President, to be Compliance Department Head having duties to supervise and monitor the Bank's operation in compliance with relevant regulatory requirements.

Qualifications of Internal Audit Division Head and Compliance Department Head are as in Attachment 3.

12. Related Party Transactions

As of 31 December 2015, the Bank recorded significant business transactions with its subsidiary and affiliated companies (related by way of having common shareholders), including related persons (directors or executives from the level of vice president upwards). These transactions were concluded on commercial terms and based on mutually agreed upon criteria in the ordinary course of business between the Bank and its subsidiary, associated and affiliated companies. Details are as disclosed in the Notes to Financial Statements item 44 of Financial Statements as of 31 December 2015.

- Connected transactions with persons who may have conflicts of interest are as follows:

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
<p>CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder</p>	<p>The Bank has cooperated with CIMBST on ECM activities in Thailand and/or must cooperate with other companies within CIMB Group that were related to ECM Activities in other countries (CIMBF). Income sharing was as follows:</p> <p>1) CIMBST would share part of its ECM fees (underwriting fee and brokerage fee) from acting as an underwriter to CIMB Thai as a management fee in an amount equal to 50.00% of total ECM fees that CIMBST received after deducting relevant expenses (if any). The management fee is exclusive of VAT.</p> <p>2) CIMBF would share part of its ECM fees from acting as an underwriter to CIMB Thai as a management fee in an amount equal to 48.25% of total ECM fees that CIMBF received after deducting relevant expenses (if any). The management fee is exclusive of VAT.</p> <p>This transaction is considered the Bank's normal business support under general trading terms.</p>	<p>The Board of Directors' meeting no. 1/2015 held on 23 January 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought benefits to the Bank in terms of additional fee income and establishing relationship with the clients for the Bank's future business opportunities. Therefore, the execution of this transaction was reasonable and supported the Bank's normal business under general trading terms.</p>
<p>CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder</p> <p>CIMB Bank Berhad (CIMB Bank), the major shareholder of the Bank holding 93.71% of the Bank's total issued and paid-up shares</p>	<p>The Board of Directors' meeting no. 13/2013 held on 17 December 2013 approved the Bank to enter into the related party transaction with CIMB Bank for a license fee payment of Factset Research System database for a period of three years (from January 2013 to December 2016). In this regard, CIMBST had paid such fee in the amount of USD 6,750 on behalf of CIMB Thai for the year 2014. CIMBST's charge</p>	<p>The Board of Directors' meeting no. 2/2015 held on 25 February 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms.</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
	<p>back of such amount to CIMB Thai is considered a related party transaction that can be referred to the Board's earlier approval in December 2013. The Bank did not calculate the related party transaction size based on the regulatory requirements because it would be a double counting with the previous calculation.</p> <p>This transaction is considered the Bank's normal business support under general trading terms.</p>	
<p>iCIMB MSC, a wholly owned subsidiary of CIMB Holdings which is a subsidiary having CIMB Group as the indirect major shareholder</p>	<p>The Bank has used CIMB Group's IT-related services through CIMB Bank Malaysia since 2009 under IT outsourcing service agreements signed by both parties. As CIMB Bank Malaysia advised that iCIMB MSC would manage all its IT outsourcing services agreements with its related parties concerned and that future contracting party from CIMB Group would be managed through iCIMB MSC, with all terms and conditions remaining unchanged.</p> <p>This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 3/2015 held on 26 March 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since the change of contract party to iCIMB MSC was done under unchanged service terms and conditions, and it was the Bank's normal business support.</p>
<p>CIMB Islamic Bank Berhad, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank</p>	<p>The Bank has operated the international transfer via SpeedSend by cooperating with CIMB Islamic Bank Berhad. SpeedSend was launched in Thailand with ten corridors in November 2012. To support customer need of account crediting/ debiting, the Bank has provided additional services of money transfer via bank account and CIMB Clicks to enhance key feature of account crediting to gain competitive advantage over competitors, to support customer need in account crediting/ debiting and to gain additional revenue in 2015 of THB 1.3 million from feature and CIMB Clicks extension.</p> <p>This transaction is considered the Bank's normal business under general trading terms.</p>	<p>The Board of Directors' meeting no. 3/2015 held on 26 March 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business having fair market price and similar trading terms to the transactions with outsiders. Furthermore, the transaction brought benefits to the Bank.</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
<p>CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder</p>	<p>The Bank has collaborated with CIMBST in the Stock Exchange of Thailand (SET)'s 2015 Banker to Broker project. Currently, the Bank has had fee income from referring customers to CIMBSTS. Given the well response, the SET and CIMBSTS have provided additional rewards for the Bank's referring frontline staff. This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it supported the provision of rewards to frontline staff and caused no damage to the Bank.</p>
<p>CIMB Malaysia, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank</p>	<p>The Bank has worked on the development of an execution plan for Thailand Digital Sales Enablement (DSE) which moved CIMB towards a Regional Operating Model. The cost of this program was allocated to CIMB Thai at 6.25% of total costs of consulting fee or USD 212,000 to be paid to CIMB Malaysia by 2015. This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it would help expand the customer base, was reasonable and brought benefits to the Bank.</p>
<p>CIMB-Principal Asset Management Co., Ltd. (CPAM), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank.</p>	<p>The Bank has renewed the insourcing service agreement with CPAM for one year (from 15 April 2015 to 14 April 2016), with service areas covering information technology and human resources. The estimated revenue in 2015 was THB 1,060,000. This transaction is considered the Bank's normal business support under general trading terms.</p>	<p>The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support and brought benefits to the Bank.</p>
<p>Sathorn Asset Management Co., Ltd. (STAMC), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank</p>	<p>The Bank has approved the review of service fee rates on insourcing services provided to STAMC in five areas, including information technology, human resources, credit operations, accounting finance & tax, and internal audit. The service period was four years and due to expire on 24 December 2015. In 2015, the Bank has generated income of approximately THB 10.87 million from such transaction. This transaction is considered the Bank's normal business support under general trading terms.</p>	<p>The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms and brought benefits to the Bank.</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
<p>CIMB Bank, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank</p>	<p>On 30 July 2011, the Board of Directors endorsed 1P payback to CIMB Bank at the rate of THB 135.13 per new account opened. Subsequently on 29 November 2012, a revised 1P payback rate of THB 107.9 per new account opened was duly approved by the Board of Directors, valid for the first three years (from April 2012 to March 2015). Both parties agreed to revise the rate at the end of the third year. As the agreement to use THB 107.9 per new account opened expired on 18 March 2015, it was requested to extend such rate for another year.</p> <p>This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 4/2015 held on 29 April 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support.</p>
<p>CIMB-Principal Asset Management Co., Ltd. (CPAM), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank.</p>	<p>The Board of Directors' meeting no. 11/2014 approved the investment products purchase transaction with CPAM via CIMB Thai credit card for a period of three months, i.e. by the first quarter of 2015. The Bank has requested for approval of the continuation of such service with effect from 31 March 2015 and the fee of THB 100 per transaction.</p> <p>This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 5/2015 held on 28 May 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction because it was the Bank's normal business support.</p>
<p>CIMB Group, the indirect major shareholder of the Bank</p>	<p>The Bank has used the Penetration Test or PenTest service of CIMB Group to test system hacking, with the service fee of THB 1,937,720.</p> <p>This transaction is considered the Bank's normal business support under general trading terms.</p>	<p>The Board of Directors' meeting no. 6/2015 held on 26 June 2015 (excluding CIMB Bank's representative directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms.</p>
<p>CIMB Bank Berhad (CIMB Bank), the major shareholder of the Bank holding 93.71% of the Bank's total issued and paid-up shares</p>	<p>The Bank has outsourced the development of Regional Corporate Model which was a credit risk model from CIMB Bank Berhad. CIMB Bank Berhad would only charge fees for the service rendered only if it was not a part of the Bank Negara Malaysia's requirement</p>	<p>The Board of Directors' meeting no. 6/2015 held on 26 June 2015 (excluding CIMB Bank's representatives who have conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
	for CIMB Bank Berhad to comply with to meet the Basel II IRB approach. This transaction is considered the Bank's normal business support.	was the normal business support.
Senior Executive Vice President who is the Bank's management	The Bank has approved a sale of positional car to two resigning employees at a corporate title of Senior Executive Vice President, which was in compliance with the Bank's regulation as follows: 1 Mr. Narongchai Wongthanavimok, Senior Executive Vice President, Strategy and Finance Group at THB 1,700,000 (VAT included) 2. M.L. Natchanya Davivongse, Senior Executive Vice President, Transaction Banking Group at THB 1,800,000 (VAT included). These transaction is considered relating to the Bank's assets or services.	The Board of Directors' meeting no. 7/2015 held on 29 July 2015 deemed it proper to approve the transaction since it was in line with the Bank's regulation and caused no disadvantage to the Bank as the selling prices were based on the market prices and value assessment, and it was a transaction relating to the Bank's assets or services.
CIMB Securities (Thailand) Co., Ltd. (CIMBST), a wholly owned subsidiary of CIMB Securities International Pte. Ltd. which is a subsidiary having CIMB Group as the major shareholder	The Bank has been the underwriter of CIMBST Equity-Linked Structure Debenture (ELN), with an underwriting fee not being more than 3.0% of ELN's notional amount. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 8/2015 held on 27 August 2015 (excluding CIMB Bank's representative on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support.
iCIMB (MSC) Sdn Bhd, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	The Bank has outsourced IT service to iCIMB (MSC) Sendiran Berhad, using Reuters Electronic Trading - Automated Dealing System which was an FX online trading platform embedded in the Bank's website. The annual fee was MYR 145,462. This transaction is considered the Bank's normal business support.	The Board of Directors' meeting no. 8/2015 held on 27 August 2015 (excluding CIMB Bank's representative on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought benefits to the Bank and was the Bank's normal business support.
CIMB Investment Bank Berhad, a subsidiary of CIMB Group which is the indirect major shareholder of the Bank iCIMB (MSC) Sdn Bhd, a subsidiary of CIMB Group which is the indirect major shareholder	The Bank has outsourced IT service to iCIMB (MSC) Sdn Bhd, using Regional Corporate Client Solution (CCS) - 1 View System. The annual service fee was MYR 233,143 in 2016, MYR 248,569 in 2017, and MYR 249,284 from 2018 onwards.	The Board of Directors' meeting no. 9/2015 held on 27 September 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
of the Bank	This transaction is considered the Bank's normal business support.	this matter) deemed it proper to approve the transaction since it brought the benefits and caused no damage to the Bank and was the Bank's normal business support.
Sathorn Asset Management Co., Ltd. (STAMC), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	<p>The Board of Directors' meeting no. 8/2015, held on 27 August 2015, approved the sale of non-performing loans (NPLs) to STAMC on condition that the selling value must obtain prior concurrence from the Audit Committee and approval from the Board of Directors.</p> <p>The Board of Directors approved a sale of the Bank's NPLs to STAMC in the amount of THB 223 million. The final payments might be adjusted based on the amount of loans pulled out by the Bank or pulled back by the buyer in accordance with TOR. These transaction is considered relating to the Bank's assets or services.</p>	<p>The Board of Directors' meeting no. 9/2015 held on 27 September 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought benefits to the Bank and was relating to the Bank's assets and services.</p>
CIMB Bank Berhad (CIMB Bank), a major shareholder of the Bank holding 93.71% of the Bank's total issued and paid-up shared	<p>The Bank has outsourced Regional Securities and Futures Rating Model development to CIMB Bank Berhad.</p> <p>CIMB Bank Berhad would only charge fees for the service rendered if it was not part of the Bank Negara Malaysia's requirement for CIMB Bank Berhad to comply with to meet the Basel II IRB approach.</p> <p>This transaction is considered the Bank's normal business support.</p>	<p>The Board of Directors' meeting no. 11/2015 held on 27 November 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it brought the benefits to the Bank and was the Bank's normal business support.</p>
Sathorn Asset Management Co., Ltd. (STAMC), a subsidiary of CIMB Group which is the indirect major shareholder of the Bank	<p>The Bank has provided insourcing services to STAMC in five areas, including information technology, human resources, credit operations, accounting finance and tax, and internal audit. The service period was four years and due to expire on 23 December 2015 with the requirement of annual review and revision of the service fee.</p> <p>The Board has approved the renewal of the insourcing service provision to STAMC for another three years with expiry date on 31 December 2018. The service fee rate for the insourcing</p>	<p>The Board of Directors' meeting no. 12/2015 held on 18 December 2015 (excluding CIMB Bank's representatives on the Board of Directors who had conflict of interest, hence abstaining from participating in the consideration and voting on this matter) deemed it proper to approve the transaction since it was the Bank's normal business support under general trading terms and brought benefits to the Bank.</p>

Name and Relationship	Transaction Characteristics and Value	Necessity and Reasonableness with Audit Committee's Opinion
	services provided to STAMC was totaling THB 8.98 million. This transaction is considered the Bank's normal business support under general trading terms.	

- Loans, Deposits and Contingent Liabilities

- a. Loans, contingent liabilities and deposits associated with businesses in which the Bank and its subsidiary companies, or directors or executives from the level of executive vice president upwards, hold 10% or more of their paid-up capital were as follows:

(Unit: THB million)

Company name	31 December 2015					
	Contingent liabilities	Outstanding loans / Investments in receivables	Deposits	Borrowings	% shares holding	Joint management
<u>Parent Company</u>						
CIMB Bank Berhad	133	-	-	43	93.71	-
Interest rate swap contracts	23,062	-	-	-		
- Fixed rate payee	93,016	-	-	-		
- Floating rate payee	807	-	-	-		
Forward and spot contracts	66	-	-	-		
- Bought						
- Sold	4,134	-	-	-		
Cross currency and interest rate swap contracts	1,804	-	-	-		
- Bought	100	-	-	-		
- Sold	130	-	-	-		
Swaption						
- Sold						
Commodity						
- Bought						
<u>Subsidiary companies</u>						
Center Auto Lease Co.,Ltd.	-	16,353	123	-	99.99	Directors with delegated signature authority: Mr. Surachai Chitratsenee Ms. Sasima Thongsamak

Company name	31 December 2015					
	Contingent liabilities	Outstanding loans / Investments in receivables	Deposits	Borrowings	% shares holding	Joint management
CT COLL Co.,Ltd.	-	6	96	-	99.99	Directors with delegated signature authority: Mr. Adisorn Sermchaiwong Ms. Onanong Udomkantong Ms. Sasima Thongsamak Mr. Goh Therd Siang
Worldlease Co., Ltd.	-	2,671	66	-	99.99	Directors with delegated signature authority: Mr. Adisorn Sermchaiwong Ms. Onanong Udomkantong
<u>Company under common control</u> Sathorn Asset Management Co., Ltd.	-	-	265	-	-	Directors: Mr. Subhak Siwaraksa Mr. Surachai Chitratsenee Ms. Onanong Udomkantong
Related persons	-	11	576	-	-	-

The Bank pays interests on deposits made by related parties at the normal rates applicable to general depositors.

b. The Bank is not aware of any person with potential conflicts of interest and holding more than 5% of voting shares in any of the Bank's subsidiaries or associated companies.

- Justification of related party transactions

Loans and contingent liabilities associated with directors or executives from the level of executive vice president upwards are subject to interest charges under the Bank's employee benefits scheme.

Loans, contingent liabilities and deposits associated with businesses in which the Bank or its subsidiary companies, or directors or executive officers from the level of executive vice president upwards, hold 10% or more of their paid-up capital were transferred to the Bank under the merger process, or have undergone debt restructuring. These loans which include some new loans have been concluded on commercial terms agreed upon in the ordinary course of business between the Bank and the parties concerned, and are subject to market interest rates.

- Procedures for approving related party transactions and safeguarding shareholders' interest

According to the Bank's Articles of Association, all related party transactions are subject to a formal approval process, including the analysis and approval of the relevant Committees, Audit Committee and

Board of Directors. Executives or directors with material interest in any transaction are not allowed to take part in the decision-making process.

- Trends in related party transactions

Related party transactions include those relating to the Bank's business functions and are subject to the formal approval process in place and the criteria of the relevant regulatory bodies. There is a strong probability that related party transactions will continue to be an integral part of the Bank's business, and will be governed by clearly defined review and approval procedures and practices.

Part 3
Financial Position and Operating Performance

13. Key Financial Information

Summary of statements of financial position of CIMB Thai Bank Public Company Limited as at 31 December 2015, 2014 and 2013, and its operating results and financial ratios for the years ended 31 December 2015, 2014 and 2013.

(Unit: THB)

Statements of Financial Position	The Bank		
	31 December 2015	31 December 2014	1 January 2014
Assets			
Cash	2,395,111,405	3,987,736,777	3,324,656,939
Interbank and money market items, net	14,229,670,008	6,453,199,978	33,509,102,456
Derivative assets	25,581,046,242	10,803,916,302	9,100,647,662
Investments, net	54,891,019,817	55,253,273,115	53,324,961,980
Investments in subsidiaries, net	1,324,920,707	1,324,920,707	1,335,443,948
Loans and accrued interest receivables			
Loans	196,736,743,351	188,334,023,282	168,952,844,988
Accrued interest receivables	524,470,027	459,212,620	462,586,736
Total loans and accrued interest receivables	197,261,213,378	188,793,235,902	169,415,431,724
<u>Less</u> Deferred revenue	(90,837,521)	(163,150,115)	(255,170,649)
<u>Less</u> Allowance for doubtful debts	(6,572,231,944)	(5,447,517,156)	(4,913,545,914)
<u>Less</u> Revaluation allowance for debt restructuring	(55,383,987)	(68,351,237)	(33,422,083)
Loans and accrued interest receivables, net	190,542,759,926	183,114,217,394	164,213,293,078
Customers' liability under acceptance	41,017,884	68,889,332	57,650,960
Properties for sale, net	1,109,004,276	1,582,424,466	1,597,877,173
Premises and equipment, net	2,714,361,639	3,002,336,396	3,264,147,293
Intangible assets, net	373,090,594	355,963,642	337,319,600
Deferred tax assets	862,314,440	752,636,225	926,435,691
Account receivable from Thai Asset Management Corporation	-	3,572,457,936	3,572,457,936
Other assets, net	9,533,185,948	3,196,065,790	3,806,401,726
Total assets	303,597,502,886	273,468,038,060	278,370,396,442

(Unit: THB)

Statements of Financial Position (Cont'd)	The Bank		
	31 December 2015	31 December 2014	1 January 2014
Liabilities and shareholders' equity			
Liabilities			
Deposits	170,502,086,949	184,105,739,854	152,272,534,436
Interbank and money market items, net	19,994,416,948	18,230,366,777	44,241,461,855
Liability payable on demand	320,768,448	344,291,120	504,867,176
Financial liabilities designated at fair value			
through profit or loss	16,039,533,025	7,693,132,792	5,856,747,052
Derivative liabilities	25,682,672,770	10,396,602,437	9,651,786,057
Debt issued and borrowings	33,994,659,909	24,512,208,453	37,706,592,055
Bank's liability under acceptance	41,017,884	68,889,332	57,650,960
Provisions	1,578,957,438	1,420,434,528	1,415,445,317
Other liabilities	9,126,765,983	4,556,103,564	5,281,074,920
Total liabilities	277,280,879,354	251,327,768,857	256,988,159,828
Shareholders' equity			
Share capital			
Registered			
27,410,341,432 ordinary shares of Baht 0.50 each	13,705,170,716		
21,084,878,025 ordinary shares of Baht 0.50 each		10,542,439,013	
26,105,495,608 ordinary shares of Baht 0.50 each			13,052,747,804
Issued and paid-up share capital			
24,774,731,679 ordinary shares of Baht 0.50 each	12,387,365,840		
21,084,878,025 ordinary shares of Baht 0.50 each		10,542,439,013	10,542,439,013
Premium on share capital	5,712,665,258	3,867,738,430	3,867,738,430
Other reserves	737,068,079	899,934,224	892,156,202
Retained earnings			
Appropriated - statutory reserve	365,950,000	341,300,000	272,000,000
Unappropriated	7,113,574,355	6,488,857,536	5,807,902,969
Total shareholders' equity	26,316,623,532	22,140,269,203	21,382,236,614
Total liabilities and shareholders' equity	303,597,502,886	273,468,038,060	278,370,396,442

(Unit: THB)

Statements of Comprehensive Income	The Bank		
	For the years ended 31 December		
	2015	2014	2013
Interest income	13,025,701,782	12,460,684,461	11,028,059,321
Interest expenses	(6,141,335,838)	(6,028,333,772)	(5,794,877,075)
Net interest income	6,884,365,944	6,432,350,689	5,233,182,246
Fees and service income	1,374,889,474	1,236,361,987	1,159,974,191
Fees and service expenses	(319,343,580)	(296,494,840)	(220,024,731)
Net fee and service income	1,055,545,894	939,867,147	939,949,460
Gains on trading and foreign exchange transactions	1,819,384,602	1,804,875,080	714,313,846
Losses on financial liabilities designated at fair value through profit or loss	(458,154,763)	(1,093,726,426)	(100,799,433)
Gains on investments, net	551,005,717	329,535,536	316,916,689
Gain sharing from the management of non-performing loans by Thai Asset Management Corporation	-	-	1,100,714,818
Other operating income	383,010,621	186,960,038	297,211,835
Total operating income	10,235,158,015	8,599,862,064	8,501,489,461
Other operating expenses			
Employee expenses	3,236,564,534	3,248,965,426	2,656,753,727
Directors' remuneration	10,744,000	8,804,000	8,400,000
Premises and equipment expenses	1,277,119,380	1,268,595,392	1,202,692,791
Taxes and duties	442,470,291	393,443,378	269,917,968
Others	950,068,015	789,876,300	812,035,636
Total other operating expenses	5,916,966,220	5,709,684,496	4,949,800,122
Bad and doubtful debts and impairment losses	3,425,200,000	1,702,567,406	2,367,200,000
Profit before income tax expenses	892,991,795	1,187,610,162	1,184,489,339
Income tax expenses	(185,657,054)	(245,916,503)	97,923,390
Net profit for the years	707,334,741	941,693,659	1,282,412,729

(Unit: THB)

Statements of Comprehensive Income (Cont'd)	The Bank		
	For the years ended 31 December		
	2015	2014	2013
Other comprehensive income (expenses)			
Items that will be reclassified			
subsequently to profit or loss			
Gains (losses) on remeasuring			
available-for-sale investments	12,859,905	240,733,492	(167,876,846)
Gains arising from translating			
the financial statement of a foreign operation	28,964,409	7,337,610	-
Losses on cash flow hedges	(25,306,951)	(149,627,279)	-
Income tax relating to items that will be			
reclassified subsequently to profit or loss	2,489,409	(18,221,243)	33,575,369
Total items that will be reclassified			
subsequently to profit or loss	19,006,772	80,222,580	(134,301,477)
Items that will not be reclassified			
subsequently to profit or loss			
Changes in revaluation surplus	(125,210,829)	(24,262,109)	(35,525,049)
Remeasurements of post-employment			
benefit obligations	(102,130,316)	(66,293,589)	(26,042,194)
Income tax relating to items that will not be			
reclassified subsequently to profit or loss	45,468,228	18,111,140	12,313,449
Total items that will not be reclassified			
subsequently to profit or loss	(181,872,917)	(72,444,558)	(49,253,794)
Total other comprehensive income (expenses)	(162,866,145)	7,778,022	(183,555,271)
Total comprehensive income for the years	544,468,596	949,471,681	1,098,857,458

(Unit: THB)

Statements of Comprehensive Income (Cont'd)	The Bank		
	For the years ended 31 December		
	2015	2014	2013
Net profit attributable to:			
Equity holders of the Bank	707,334,741	941,693,659	1,282,412,729
Non-controlling interests	-	-	-
	<u>707,334,741</u>	<u>941,693,659</u>	<u>1,282,412,729</u>
Total comprehensive income attributable to:			
Equity holders of the Bank	544,468,596	949,471,681	1,098,857,458
Non-controlling interests	-	-	-
	<u>544,468,596</u>	<u>949,471,681</u>	<u>1,098,857,458</u>
Earnings per share for profit attributable to the equity holders of the Bank			
Basic earnings per share (Baht per share)	<u>0.03</u>	<u>0.04</u>	<u>0.06</u>
Weighted average number of ordinary shares (shares)	<u>21,650,992,558</u>	<u>21,084,878,025</u>	<u>21,084,878,025</u>
Diluted earnings (loss) per share	<u>0.03</u>	<u>0.04</u>	<u>0.06</u>
Weighted average number of ordinary shares (shares)	<u>21,650,992,558</u>	<u>21,084,878,025</u>	<u>21,084,878,025</u>

(Unit: THB)
Statements of Cash Flows

	The Bank		
	For the years ended 31 December		
	2015	2014	2013
Cash flows from operating activities			
Profit before corporate income tax	892,991,795	1,187,610,162	1,184,489,339
Adjustments to reconcile net income before income tax to cash in (out) flows from operating activities:			
Depreciation and amortisation	470,167,340	494,154,138	488,984,750
Bad debts and doubtful accounts	3,425,200,000	1,702,567,406	2,367,200,000
Provision (reversal of) for off-balance sheet items	14,347,673	(90,880,000)	-
Share-based payment	10,277,930	7,396,892	1,769,440
Provision for liabilities	166,067,925	142,690,798	6,861,348
Losses on impairment of properties for sale	248,119	203,691	649,137
Losses on impairment of investments	4,290,484	-	8,983,625
Gain sharing from the management of the non-performing loans by Thai Asset Management Corporation	-	-	(1,100,714,818)
Unrealised gains on exchange and derivatives	(322,857,972)	(1,457,976,392)	745,928,080
Gains on properties for sale	(91,006,865)	(15,912,856)	(27,627,848)
Unrealised (gains) losses on revaluation of investments	(571,459)	22,516,398	(23,953,281)
Gains on sale of investments	(728,736,343)	(453,705,914)	(348,446,867)
Gains on disposal of premises and equipment	(11,486,702)	(3,477,968)	(559,287)
Losses on impairment of premises and equipment	9,604,772	-	-
Losses from write off premises and equipment	27,967,972	19,036,757	8,195,290
Losses from write off leasehold rights	36,576	2,314,144	69,751
Losses on financial liabilities designated at fair value through profit or loss	458,154,763	1,093,726,426	100,799,433
Interest and dividend income	(13,077,532,558)	(12,511,907,316)	(11,194,614,158)
Interest expenses	5,139,554,380	5,099,929,817	5,003,858,121
Losses from operations before changes in operating assets and liabilities	(3,613,282,170)	(4,761,713,817)	(2,778,127,945)
(Increase) decrease in operating assets			
Interbank and money market items	(7,776,075,046)	27,044,939,614	(23,365,268,593)
Investments held for trading	965,186,346	3,548,028,199	(6,898,913,712)
Loans	(10,448,746,321)	(20,462,513,058)	(32,429,988,385)
Properties for sale	754,590,140	172,716,286	185,732,272
Receivable from Thai Asset Management Corporation	3,486,699,265	-	-
Other assets	(6,203,974,364)	613,934,470	(2,345,881,728)

(Unit: THB)
Statements of Cash Flows (Cont'd)

	The Bank		
	For the years ended 31 December		
	2015	2014	2013
Increase (decrease) in operating liabilities			
Deposits	(13,603,652,904)	31,833,205,418	16,987,955,452
Interbank and money market items	1,764,050,171	(26,011,095,078)	33,881,789,183
Liability payable on demand	(23,522,672)	(160,576,057)	159,437,957
Short-term borrowings	9,882,271,652	(14,379,308,526)	11,458,977,283
Provisions	(124,023,003)	(106,708,726)	(40,913,185)
Other liabilities	4,169,679,412	(900,697,858)	1,606,075,332
Cash flows used in operating activities	(20,770,799,494)	(3,569,789,133)	(3,579,126,069)
Cash received from interest income	11,290,617,897	10,849,596,102	9,478,055,847
Cash paid for interest expenses	(5,241,650,019)	(5,442,147,607)	(4,945,239,603)
Cash paid for income tax	(82,567,693)	-	-
Net cash flows (used in) provided by operating activities	(14,804,399,309)	1,837,659,362	953,690,175
Cash flows from investing activities			
Cash paid for purchases of available-for-sale securities	(29,765,886,180)	(54,106,282,038)	(24,915,408,473)
Proceeds from disposals of available-for-sale securities	27,203,327,558	31,109,002,243	8,892,314,510
Proceeds from maturity of available-for-sale securities	510,978,043	26,015,683,807	4,137,000,000
Cash paid for purchases of held to maturity securities	(4,922,649,754)	(12,020,896,051)	(3,218,057,523)
Proceeds from maturity of held to maturity securities	6,666,336,490	3,972,000,340	8,984,528,846
Cash paid for increase in capital of subsidiaries	-	-	(550,000,000)
Proceeds from repayment of investment in receivable	20,702,034	48,205,321	25,369,250
Cash paid for purchases of general investments	-	(182,610)	-
Proceeds from disposals of general investments	6,927,784	164,902	22,812,416
Proceeds from decrease in capital of general investments	30,000,000	31,160,601	31,245,000
Proceeds from paypack of investment in subsidiary	-	22,540,041	247,704,030
Cash paid for purchases of premises and equipment	(140,749,076)	(223,997,232)	(185,015,798)
Proceeds from disposals of premises and equipment	19,267,618	11,398,972	7,002,743
Cash paid for purchases of intangible assets	(125,449,171)	(138,631,410)	(37,347,083)
Proceeds from disposals of intangible assets	-	-	12,712,220
Dividend received	51,830,775	51,222,854	166,554,836
Interest received	1,934,284,359	1,678,336,020	1,408,836,817
Net cash flows provided by (used in) investing activities	1,488,920,480	(3,550,274,240)	(4,969,748,209)

(Unit: THB)

Statements of Cash Flows (Cont'd)

	The Bank		
	For the years ended 31 December		
	2015	2014	2013
Cash flows from financing activities			
Dividend paid	(158,136,585)	(210,848,780)	(105,424,390)
Proceeds from issuing subordinated debentures	-	4,066,540,000	-
Cash paid for redemption of subordinated debentures	-	(2,500,000,000)	-
Proceeds from issuance of structured bills of exchange and debentures	12,802,546,172	11,405,500,000	5,614,000,000
Cash paid for redemption of structured bills of exchange and debentures	(4,639,000,000)	(10,392,000,000)	(1,298,000,000)
Cash received from capital increase	3,689,853,654	-	-
Net cash flows provided by financing activities	11,695,263,241	2,369,191,220	4,210,575,610
Foreign currency translation differences	27,590,216	6,503,496	-
Net (decrease) increase in cash and cash equivalents	(1,592,625,372)	663,079,838	194,517,576
Cash and cash equivalents at beginning of the year	3,987,736,777	3,324,656,939	3,130,139,363
Cash and cash equivalents at the end of the year	2,395,111,405	3,987,736,777	3,324,656,939
Supplemental disclosure of cash flows information			
Non-cash transaction:			
Payable from purchase of premises and equipment	6,082,109	30,592,954	2,493,469
Properties for sale received from premises and equipment	60,976,206	125,838,175	34,067,000
Change in revaluation surplus in available-for-sale investments	12,859,905	240,733,492	167,876,846
Interest amortisation from premium or discount	385,340,992	100,700,529	25,100,595

The Bank's Financial Ratios	2015	2014	2013
Profitability Ratios			
Gross profit margin (%)	55.1	53.8	50.7
Net profit margin (%)	6.9	11.0	15.1
Return on equity (%)	3.1	4.3	6.1
Yield ⁽¹⁾ (%)	6.5	6.9	7.0
Cost of funds ⁽²⁾ (%)	2.7	2.8	3.1
Spread ⁽³⁾ (%)	3.8	4.1	3.9
Return on investment (%)	3.8	3.5	4.1
Efficiency Ratios			
Cost to income ratio (%)	57.8	66.4	58.2
Net interest margin (%)	2.7	2.8	2.6
Return on assets (%)	0.2	0.4	0.6
Assets turnover ratio (time)	0.03	0.03	0.04
Financial Policy Ratios			
Debt to equity ratio (time)	10.5	11.3	12.0
Loan to borrowing ratio ⁽⁴⁾ (%)	96.0	90.1	88.6
Modified loan to deposit ratio ⁽⁵⁾ (%)	90.1	89.2	89.2
Deposits to debts ratio (%)	61.5	73.3	59.3
Capital adequacy ratio (%)	15.5	15.0	14.1
Asset Quality Ratios			
Allowance for doubtful debts to loans and accrued interest receivables (%)	3.3	2.9	2.9
Bad debt and doubtful accounts to loans and accrued interest receivables (%)	1.1	0.7	0.4
NPL ratio ⁽⁶⁾ (%)	2.9	3.0	2.3
Accrued interest receivables to loans and accrued interest receivables (%)	0.3	0.2	0.3

Notes: The financial statements for the years 2014 and 2013 have been adjusted with adoption of TAS 19 (revised 2014) employee benefits.

(1) Yield = Interest incomes / (Average loans+Average interest bearing interbank and money market items)

(2) Cost of funds = Interest expenses / (Average deposits+Average borrowings+Average liabilities payable on demand+ Average interest bearing interbank and money market items (liabilities))

(3) Spread = Yield – Cost of funds

(4) Loan to borrowing ratio = Loans / (Deposits+Liabilities payable on demand+Borrowings)

(5) Modified loan to deposit ratio (modified LDR) = (Gross loans+Loans guaranteed by other banks+Loans to financial institutions) / (Deposits+Bills of exchange+Debentures+Selected structured deposit products)

(6) NPL ratio is calculated under Bank of Thailand criteria.

Summary of statements of financial position of CIMB Thai Bank Public Company Limited and its subsidiaries as at 31 December 2015, 2014 and 2013, and their operating results and financial ratios for the years ended 31 December 2015, 2014 and 2013.

(Unit: THB)

Statements of Financial Position	Consolidated		
	31 December 2015	31 December 2014	1 January 2014
Assets			
Cash	2,397,196,928	3,989,621,938	3,328,748,596
Interbank and money market items, net	14,292,801,636	6,522,689,913	33,555,652,005
Derivative assets	25,581,046,242	10,803,916,302	9,100,647,662
Investments, net	54,891,019,817	55,253,273,115	53,324,961,980
Investments in subsidiaries, net		-	10,523,242
Loans and accrued interest receivables			
Loans	203,552,832,710	194,610,261,270	175,844,355,534
Accrued interest receivables	520,569,785	455,304,547	453,532,902
Total loans and accrued interest receivables	204,073,402,495	195,065,565,817	176,297,888,436
<u>Less</u> Deferred revenue	(4,945,478,647)	(4,642,328,361)	(4,757,282,848)
<u>Less</u> Allowance for doubtful debts	(6,730,530,954)	(5,979,008,801)	(5,263,612,956)
<u>Less</u> Revaluation allowance for debt restructuring	(55,383,987)	(68,351,237)	(33,422,083)
Loans and accrued interest receivables, net	192,342,008,907	184,375,877,418	166,243,570,549
Customers' liability under acceptance	41,017,884	68,889,332	57,650,960
Properties for sale, net	1,194,255,368	1,826,291,636	1,706,018,723
Premises and equipment, net	2,769,718,388	3,071,759,407	3,349,094,004
Intangible assets, net	378,987,475	361,802,153	343,053,368
Deferred tax assets	1,040,358,204	957,064,866	1,058,985,442
Account receivable from Thai Asset Management Corporation		-	3,572,457,936
Other assets, net	9,692,983,893	3,365,142,396	4,020,544,901
Total assets	304,621,394,742	274,168,786,412	279,671,909,368

(Unit: THB)

Statements of Financial Position (Cont'd)	Consolidated		
	31 December 2015	31 December 2014	1 January 2014
Liabilities and shareholders' equity			
Liabilities			
Deposits	170,217,136,926	183,894,650,541	152,132,672,386
Interbank and money market items, net	20,018,416,948	18,304,766,777	44,866,261,855
Liability payable on demand	320,768,448	344,291,120	504,867,176
Financial liabilities designated at fair value			
through profit or loss	16,039,533,025	7,693,132,792	5,856,747,052
Derivative liabilities	25,682,672,770	10,396,602,437	9,651,786,057
Debt issued and borrowings	33,994,659,909	24,512,208,453	37,706,592,055
Bank's liability under acceptance	41,017,884	68,889,332	57,650,960
Provisions	1,641,262,617	1,471,525,306	1,452,563,027
Other liabilities	9,557,915,819	4,892,161,996	5,653,090,246
Total liabilities	277,513,384,346	251,578,228,754	257,882,230,814
Shareholders' equity			
Share capital			
Registered			
27,410,341,432 ordinary shares of Baht 0.50 each	13,705,170,716		
21,084,878,025 ordinary shares of Baht 0.50 each		10,542,439,013	
26,105,495,608 ordinary shares of Baht 0.50 each			13,052,747,804
Issued and paid-up share capital			
24,774,731,679 ordinary shares of Baht 0.50 each	12,387,365,840		
21,084,878,025 ordinary shares of Baht 0.50 each		10,542,439,013	10,542,439,013
Premium on share capital	5,712,665,258	3,867,738,430	3,867,738,430
Other reserves	720,704,664	887,619,600	884,659,881
Accretion of equity interests in subsidiary	(42,753,751)	(42,753,751)	(42,753,751)
Retained earnings			
Appropriated - statutory reserve	365,950,000	341,300,000	272,000,000
Unappropriated	7,964,078,385	6,994,214,366	6,265,594,981
Total shareholders' equity	27,108,010,396	22,590,557,658	21,789,678,554
Total liabilities and shareholders' equity	304,621,394,742	274,168,786,412	279,671,909,368

(Unit: THB)

Statements of Comprehensive Income	Consolidated		
	For the years ended 31 December		
	2015	2014	2013
Interest income	14,620,048,451	13,927,429,582	12,376,299,267
Interest expenses	(6,143,023,747)	(6,038,723,192)	(5,851,629,502)
Net interest income	8,477,024,704	7,888,706,390	6,524,669,765
Fees and service income	1,734,247,566	1,547,716,018	1,397,769,012
Fees and service expenses	(266,581,243)	(208,850,553)	(139,518,172)
Net fee and service income	1,467,666,323	1,338,865,465	1,258,250,840
Gains on trading and			
foreign exchange transactions	1,819,384,602	1,804,875,080	714,313,846
Losses on financial liabilities designated			
at fair value through profit or loss	(458,154,763)	(1,093,726,426)	(100,799,433)
Gains on investments, net	551,005,717	329,535,536	421,231,316
Gain sharing from the management of non-performing			
loans by Thai Asset Management Corporation	-	-	1,100,714,818
Other operating income	377,101,198	237,961,382	327,606,151
Total operating income	12,234,027,781	10,506,217,427	10,245,987,303
Other operating expenses			
Employee expenses	3,753,835,420	3,741,535,210	3,104,603,347
Directors' remuneration	11,080,000	9,260,000	9,096,000
Premises and equipment expenses	1,404,482,827	1,399,493,378	1,336,198,325
Taxes and duties	458,627,188	408,517,126	286,465,170
Others	1,499,238,226	1,581,197,029	1,358,077,429
Total other operating expenses	7,127,263,661	7,140,002,743	6,094,440,271
Bad and doubtful debts and impairment losses	3,770,112,827	2,129,643,339	2,743,502,820
Profit before income tax expenses	1,336,651,293	1,236,571,345	1,408,044,212
Income tax expenses	(284,169,352)	(247,212,868)	82,664,881
Net profit for the years	1,052,481,941	989,358,477	1,490,709,093

(Unit: THB)

Statements of Comprehensive Income (Cont'd)	Consolidated		
	For the years ended 31 December		
	2015	2014	2013
Other comprehensive income (expenses)			
Items that will be reclassified			
subsequently to profit or loss			
Gains (losses) on remeasuring			
available-for-sale investments	12,859,905	240,733,492	(167,876,846)
Gains arising from translating			
the financial statement of a foreign operation	28,964,409	7,337,610	-
Losses on cash flow hedges	(25,306,951)	(149,627,279)	-
Income tax relating to items that will be			
reclassified subsequently to profit or loss	2,489,409	(18,221,243)	33,575,369
Total items that will be reclassified			
subsequently to profit or loss	19,006,772	80,222,580	(134,301,477)
Items that will not be reclassified			
subsequently to profit or loss			
Changes in revaluation surplus	(125,210,829)	(24,262,109)	(35,525,049)
Remeasurements of post-employment			
benefit obligations	(107,191,305)	(72,316,467)	(25,293,170)
Income tax relating to items that will not be			
reclassified subsequently to profit or loss	46,480,426	19,315,715	12,163,644
Total items that will not be reclassified			
subsequently to profit or loss	(185,921,708)	(77,262,861)	(48,654,575)
Total other comprehensive income (expenses)	(166,914,936)	2,959,719	(182,956,052)
Total comprehensive income for the years	885,567,005	992,318,196	1,307,753,041

(Unit: THB)

Statements of Comprehensive Income (Cont'd)

	Consolidated		
	For the years ended 31 December		
	2015	2014	2013
Net profit attributable to:			
Equity holders of the Bank	1,052,481,941	989,358,477	1,490,709,093
Non-controlling interests	-	-	-
	<u>1,052,481,941</u>	<u>989,358,477</u>	<u>1,490,709,093</u>
Total comprehensive income attributable to:			
Equity holders of the Bank	885,567,005	992,318,196	1,307,753,041
Non-controlling interests	-	-	-
	<u>885,567,005</u>	<u>992,318,196</u>	<u>1,307,753,041</u>
Earnings per share for profit attributable to the equity holders of the Bank			
Basic earnings per share (Baht per share)	<u>0.05</u>	<u>0.05</u>	<u>0.07</u>
Weighted average number of ordinary shares (shares)	<u>21,650,992,558</u>	<u>21,084,878,025</u>	<u>21,084,878,025</u>
Diluted earnings (loss) per share	<u>0.05</u>	<u>0.05</u>	<u>0.07</u>
Weighted average number of ordinary shares (shares)	<u>21,650,992,558</u>	<u>21,084,878,025</u>	<u>21,084,878,025</u>

Statements of Cash Flows	<i>(Unit: THB)</i>		
	Consolidated		
	For the years ended 31 December		
	2015	2014	2013
Cash flows from operating activities			
Profit before corporate income tax	1,336,651,293	1,236,571,345	1,408,044,212
Adjustments to reconcile net income before income tax to cash in (out) flows from operating activities:			
Depreciation and amortisation	497,330,736	518,920,584	519,559,724
Bad debts and doubtful accounts	3,770,112,827	2,129,643,339	2,743,502,819
Provision (reversal of) for off-balance sheet items	14,347,673	(90,880,000)	-
Share-based payment	10,277,930	7,396,892	1,769,440
Provision for liabilities	172,221,337	150,899,422	12,616,384
(Gains) losses on impairment of properties for sale	(96,738,212)	69,486,326	57,552,298
Losses on impairment of investments	4,290,484	-	8,983,625
Gain from liquidating a subsidiary	-	-	(104,314,627)
Gain sharing from the management of the non-performing loans by Thai Asset Management Corporation	-	-	(1,100,714,818)
Unrealised gains on exchange and derivatives	(322,857,972)	(1,457,976,392)	745,928,080
Losses on properties for sale	468,815,242	591,065,360	390,527,419
Unrealised (gains) losses on revaluation of investments	(571,459)	22,516,398	(23,953,281)
Gains on sale of investments	(728,736,343)	(453,705,914)	(348,446,867)
Gains on disposal of premises and equipment	(13,074,954)	(3,870,312)	(2,026,556)
Losses on impairment of premises and equipment	9,604,772	-	-
Losses from write off premises and equipment	27,967,972	19,036,757	8,214,659
Losses from write off leasehold rights	36,576	2,314,144	69,751
Losses on financial liabilities designated at fair value through profit or loss	458,154,763	1,093,726,426	100,799,433
Interest and dividend income	(14,671,879,227)	(13,978,652,436)	(12,542,854,103)
Interest expenses	5,141,242,289	5,110,319,237	5,060,610,547
Losses from operations before changes in operating assets and liabilities	(3,922,804,273)	(5,033,188,824)	(3,064,131,861)
(Increase) decrease in operating assets			
Interbank and money market items	(7,769,716,740)	27,021,999,228	(23,378,446,731)
Investments held for trading	965,186,346	3,548,028,199	(6,898,913,712)
Loans	(12,946,534,144)	(21,762,185,863)	(34,137,352,601)
Properties for sale	2,065,664,313	1,007,089,896	774,818,519
Receivable from Thai Asset Management Corporation	3,486,699,265	-	-
Other assets	(6,180,186,065)	656,115,612	(2,434,808,243)

Statements of Cash Flows (Cont'd)	(Unit: THB)		
	Consolidated		
	For the years ended 31 December		
	2015	2014	2013
Increase (decrease) in operating liabilities			
Deposits	(13,677,513,614)	31,761,978,155	16,999,086,155
Interbank and money market items	1,713,650,171	(26,561,495,078)	33,556,589,183
Liability payable on demand	(23,522,672)	(160,576,057)	159,437,957
Short-term borrowings	9,882,271,652	(14,379,308,526)	11,458,977,283
Provisions	(123,010,806)	(107,135,789)	(41,130,230)
Other liabilities	4,254,220,690	(947,076,805)	1,699,091,037
Cash flows used in operating activities	(22,275,595,877)	(4,955,755,852)	(5,306,783,244)
Cash received from interest income	12,884,956,736	12,311,195,461	10,829,931,549
Cash paid for interest expenses	(5,243,286,425)	(5,452,994,418)	(5,001,602,921)
Cash paid for income tax	(158,713,168)	(58,026,091)	(78,062,755)
Net cash flows (used in) provided by operating activities	(14,792,638,734)	1,844,419,100	443,482,629
Cash flows from investing activities			
Cash paid for purchases of available-for-sale securities	(29,765,886,180)	(54,106,282,038)	(24,915,408,473)
Proceeds from disposals of available-for-sale securities	27,203,327,558	31,109,002,243	8,892,314,510
Proceeds from maturity of available-for-sale securities	510,978,043	26,015,683,807	4,137,000,000
Cash paid for purchases of held to maturity securities	(4,922,649,754)	(12,020,896,051)	(3,218,057,523)
Proceeds from maturity of held to maturity securities	6,666,336,490	3,972,000,340	8,984,528,846
Proceeds from repayment of investment in receivable	20,702,034	48,205,321	25,369,250
Cash paid for purchases of general investments	-	(182,610)	-
Proceeds from disposals of general investments	6,927,784	164,902	22,812,416
Proceeds from decrease in capital of general investments	30,000,000	31,160,601	31,245,000
Proceeds from paypack of investment in subsidiary	-	22,540,041	247,704,030
Cash paid for purchases of premises and equipment	(152,719,262)	(232,063,643)	(225,058,189)
Proceeds from disposals of premises and equipment	21,370,934	11,974,809	10,134,870
Cash paid for purchases of intangible assets	(127,149,554)	(140,095,981)	(38,945,913)
Proceeds from disposals of intangible assets	-	-	12,712,220
Dividend received	51,830,775	51,222,854	166,554,836
Interest received	1,934,291,399	1,678,324,931	1,408,836,817
Net cash flows provided by (used in) investing activities	1,477,360,267	(3,559,240,474)	(4,458,257,303)

(Unit: THB)

Statements of Cash Flows (Cont'd)	Consolidated		
	For the years ended 31 December		
	2015	2014	2013
Cash flows from financing activities			
Dividend paid	(158,136,585)	(210,848,780)	(105,424,390)
Proceeds from issuing subordinated debentures	-	4,066,540,000	-
Cash paid for redemption of subordinated debentures	-	(2,500,000,000)	-
Proceeds from issuance of structured bills of exchange and debentures	12,802,546,172	11,405,500,000	5,614,000,000
Cash paid for redemption of structured bills of exchange and debentures	(4,639,000,000)	(10,392,000,000)	(1,298,000,000)
Cash received from capital increase	3,689,853,654	-	-
Net cash flows provided by financing activities	11,695,263,241	2,369,191,220	4,210,575,610
Foreign currency translation differences	27,590,216	6,503,496	-
Net (decrease) increase in cash and cash equivalents	(1,592,425,010)	660,873,342	195,800,936
Cash and cash equivalents at beginning of the year	3,989,621,938	3,328,748,596	3,132,947,660
Cash and cash equivalents at the end of the year	2,397,196,928	3,989,621,938	3,328,748,596
Supplemental disclosure of cash flows information			
Non-cash transaction:			
Payable from purchase of premises and equipment	6,082,109	30,592,954	2,493,469
Properties for sale received from premises and equipment	60,976,206	125,838,175	34,067,000
Change in revaluation surplus in available-for-sale investments	12,859,905	240,733,492	167,876,846
Interest amortisation from premium or discount	385,340,992	100,700,529	25,100,595

The Bank and Subsidiaries' Financial Ratios	2015	2014	2013
Net interest margin (%)	3.3	3.4	3.2
Return on equity (%)	4.4	4.4	7.0
Return on assets (%)	0.4	0.4	0.7
Cost to income ratio (%)	58.3	68.0	59.5
Modified loan to deposit ratio (%)	91.2	90.1	90.3
NPL ratio (%)	3.1	3.3	2.5
Capital adequacy ratio (%)	15.7	15.2	14.2
Tier 1 capital funds to risk-weight assets (%)	11.0	10.1	10.0

14. Analysis of Financial Standing and Operating Performance

1. Consolidated operating results

For the year ended 31 December 2015, CIMB Thai group's consolidated operating income rose by THB 1,727.8 million or 16.4% year-on-year (YoY) to THB 12.2 billion, mainly attributable to a 7.5% growth in net interest income, a 9.6% expansion in net fee and service income and a 79.0% growth in other income. Pre-provision operating profit increased by 51.7% YoY to THB 5,106.8 million as operating expenses were well contained with a 0.2% reduction. Net profit improved by THB 63.1 million or 6.4% YoY to THB 1,052.5 million, principally due to the improved other income and controlled operating expenses, partially offset by a 77.0% increase in provisions as resulted from additional provision for corporate customers and the adoption of conservative reserve policy.

Net interest margin (NIM) over earning assets was 3.27% in 2015, compared with 3.37% in 2014, due to lower yielding assets.

As at 31 December 2015, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 199.0 billion, a YoY increase of 4.3%. Deposits (inclusive of bill of exchange, debentures and selected structured deposit products) accounted for THB 218.4 billion, a YoY increase of 3.2% from THB 211.7 billion. The modified loan to deposit ratio was slightly higher at 91.2% compare with 90.1% as at 31 December 2014.

(a) Summary of CIMB Thai group's income

On a YoY basis, net interest income went up by THB 588.3 million or 7.5%, resulting from loan expansion (if excluding early redemption of hybrid instruments, net interest income would increase by THB 678.3 million or 8.7%). Net fee and service income rose by THB 128.8 million or 9.6%, mainly attributable to higher loan and mutual fund related fees. Total other operating income increased by THB 1,010.7 million or 79.0% largely derived from treasury businesses.

(b) Cost of funds and operating expenses

CIMB Thai group's interest expenses in 2015 amounted to THB 6,143.0 million, going up by THB 104.3 million, or 1.7%, largely from the increase in contribution fee to the Deposit Protection Agency and Financial Institution Development Fund, and interest expenses on marginal derivatives product.

For the year ended 31 December 2015, operating expenses declined by THB 12.7 million or 0.2% YoY due to a decrease in other expenses partially offset by increases in directors' remuneration, taxes and duties, employee expenses and premises and equipment expenses. The cost to income ratio improved to 58.3% in 2015 compared with 68.0% a year earlier as a result of better cost management and increased income.

(c) Net profit

Net profit grew by THB 63.1 million or 6.4% YoY to THB 1,052.5 million, mainly coming from the improved other income and controlled operating expenses, partially offset by a 77.0% increase in provisions caused by additional provision for corporate customers and the adoption of conservative reserve policy.

(d) Return on equity

For the year 2015, CIMB Thai group's return on equity stood at 4.4% comparable to 4.4% in 2014, mainly from net profit growth of subsidiaries, partially offset by an increase in the issued and paid-up share capital. The Bank's return on equity was 3.1% compared with 4.3% in 2014 due to the increase in the issued and paid-up share capital during the year.

2. Consolidated financial standing

Assets

As at 31 December 2015, CIMB Thai group's total assets amounted to THB 304.6 billion, going up by THB 30.5 billion or 11.1% from 31 December 2014 as detailed below:

Interbank and money market items (assets) were THB 14.3 billion, rising by THB 7.8 billion or 119.1%, principally from the Bank's liquidity management.

Derivative assets moved up by THB 14.8 billion or 136.8% to THB 25.6 billion. This was attributable to higher volume of cross currency and interest rate swap contracts.

Net investments stood at THB 54.9 billion, down by THB 362 million or 0.7%, mainly due to the reduction of held-to-maturity debt securities and securities held for trading, partially offset by available-for-sale securities.

Net loans and accrued interest receivables were THB 192.3 billion, up by 4.3%. The growth of loans was largely in retail segment.

Account receivable from Thai Asset Management Corporation dropped by THB 3.6 billion or 100% as the Comptroller General's Department paid the outstanding balance of THB 3.6 billion in February 2015.

Asset quality

(a) Loans and loan concentration

As at 31 December 2015, CIMB Thai group's total loans net of deferred revenue were THB 198.6 billion, an increase of THB 8.6 billion or 4.5% compared with THB 190.0 billion as at 31 December 2014. Loans principally comprised loans extended to the manufacturing and commerce sector, housing loans and public utilities and service sector, making up 65.8% of total loans. The housing loans were the largest borrowers, taking THB 53.3 billion or 26.9% of total loans. This was in line with the Bank's strategy. Meanwhile, the loans to manufacturing and commerce amounted to THB 52.4 billion or 26.4% of total loans, and public utilities and services loans THB 24.9 billion or 12.5% of total loans. Sectors with growth of loans, i.e. agricultural and mining, hire purchase and financial lease, housing loans, public utilities and services, personal cash and others, were 79.9%, 9.9%, 9.7%, 6.7%, 6.3% and 6.0% respectively compared with those at year-end 2014.

Loans classified by type of business	31 December 2015		31 December 2014		Change	
	THB million	%	THB million	%	THB million	%
Agricultural and mining	6,052	3.0	3,365	1.8	2,687	79.9
Manufacturing and commerce	52,411	26.4	54,804	28.9	(2,393)	(4.4)
Real estate and construction	15,800	8.0	17,103	9.0	(1,303)	(7.6)
Public utilities and services	24,918	12.5	23,345	12.3	1,573	6.7
Personal cash	11,180	5.6	10,517	5.5	663	6.3
Housing loans	53,337	26.9	48,603	25.6	4,734	9.7
Hire purchase receivable and financial lease receivable	20,962	10.6	19,075	10.0	1,887	9.9
Others	13,946	7.0	13,156	6.9	790	6.0
Total loans net of deferred revenue	198,606	100.0	189,968	100.0	8,638	4.5

To avoid concentration risk in any particular industry, the Bank has a policy in place to diversify the proportion of loans granted to various business sectors for clients from all categories of large, medium and small enterprises and retail sectors.

(b) Classification of assets

As at 31 December 2015, CIMB Thai group's net loans and accrued interest receivables (excluding loans to financial institutions) amounted to THB 199.1 billion, an increase of 4.6% compared with those as at 31 December 2014. Classification of loans is in compliance with Bank of Thailand's notification. Pass loans stood at THB 176.6 billion, special-mention loans amounted to THB 16.1 billion, and non-performing loans classified as sub-standard, doubtful and doubtful of loss were reported at THB 2.0 billion, THB 2.0 billion, and THB 2.4 billion respectively.

CIMB Thai group's loan loss coverage ratio improved to 106.5% as at 31 December 2015 from 95.2% a year earlier, following the conservative reserve policy. As at 31 December 2015, the group's total provisions amounted to THB 6.7 billion, or THB 2.6 billion in excess of Bank of Thailand's reserve requirements.

(c) Non-performing loans (NPL)

The gross non-performing loans (NPL) stood at THB 6.4 billion, with an equivalent gross NPL ratio of 3.1% compared with 3.3% as at the end of the foregoing year. The NPL decrease was mainly due to NPL selling in 4Q2015, more efficient risk management measures, continued resolution of the NPLs and improvement in loan collection process.

(d) Income recognition

Interest income is recognised on an accrual basis. The Bank discontinues recognition of accrued interest income that is more than three months overdue or when there is uncertainty of collectability, and then a collection basis is applied. The Bank also reverses interest income on such loans in order to comply with the Bank of Thailand's notification. The Bank continues its income recognition on an accrual basis when the entire amount of the principal and overdue interest has been paid.

The Bank recognises interest income on restructured loans on the same accrual basis as used for loans discussed above, with the exception of loans that are subject to monitoring for compliance with restructuring conditions, on which the Bank recognises interest income on a cash basis until the borrower has been able to comply with the restructuring conditions for a period of not less than three consecutive months or three consecutive installments, whichever is longer.

Liabilities

As at 31 December 2015, CIMB Thai group's total liabilities amounted to THB 277.5 billion, going up by THB 25.9 billion or 10.3% from 31 December 2014 as detailed below:

Deposits were THB 170.2 billion, down by THB 13.7 billion or 7.4%, largely from the decrease in fixed deposits.

Interbank and money market items (liabilities) were THB 20.0 billion, going up by THB 1.7 billion or 9.4%, as a result of the Bank's liquidity management.

Financial liabilities designated at fair value through profit or loss increased by THB 8.3 billion or 108.5% to THB 16.0 billion, mainly from the issuance of structured debentures and structured bills of exchange.

Derivative liabilities went up by THB 15.3 billion or 147.0% to THB 25.7 billion mainly due to higher volume of cross currency and interest rate swap contracts.

Debt issued and borrowings amounted to THB 34.0 billion, rising by THB 9.5 billion or 38.7%, largely due to the issuance of short-term debentures and bills of exchange during the year.

Equity

As at 31 December 2015, CIMB Thai group's equity amounted to THB 26.3 billion, representing an increase of THB 4.2 billion or 18.9% from 2014. This resulted from the Bank's registration of the increase in paid-up share capital in November 2015, hence THB 3.7 billion higher in paid-up share capital and premium on share capital. In addition, the Board of Directors gave approval for the Bank to appropriate THB 35.4 million from the Bank's net profit of THB 707.3 million for the year into statutory reserve, and to carry forward the remaining net profit into retained earnings. The decision to appropriate net profit to statutory reserve and retained earnings was made to sustain the Bank's growth momentum and ensure adequate capital going forward.

Off balance sheets: Commitments

As at 31 December 2015, the Bank and its subsidiaries had combined commitments of THB 2,326.3 billion, up by THB 774.3 billion (49.9%) from THB 1,552.0 billion at the end of 2014. The increase in commitments mostly came from derivatives as indicated in the table below:

(THB million)

Off balance sheets: commitments	31 December 2015	31 December 2014	Variance %
Avals to bills and guarantees of loans	54	101	(46.5)
Liability under unmatured import bills	282	605	(53.4)
Letters of credit	1,224	1,679	(27.1)
Other commitments:	2,324,703	1,549,577	50.0
Derivatives	2,288,552	1,517,454	50.8
Undrawn bank overdrafts	17,678	16,961	4.2
Investments	9,447	6,766	39.6
Others	9,026	8,396	7.5
Total	2,326,263	1,551,962	49.9

Liquidity

Cash and cash equivalent items, as indicated in the cash flow statement of CIMB Thai group as at 31 December 2015, amounted to THB 2.4 billion, a net decrease of THB 1.6 billion from 2014. Details of the changes are as follows:

Net cash flows used in operating activities in 2015 were THB 14.8 billion. Losses from operations before changes in operating assets and liabilities were THB 3.9 billion, including THB 1.3 billion in pre-tax net profit for the year, and adjustments of non-cash items to net profit, largely from interest and dividend and bad debts and doubtful accounts. Operating assets for the year went up by THB 20.4 billion mainly from an increase in loans and interbank and money market items (assets). In addition, operating liabilities moved up by THB 2.0 billion, resulting from short-term borrowings and other liabilities.

Net cash flows provided by investing activities were THB 1.5 billion, mostly coming from net cash received for held-to-maturity securities and interest income.

Net cash flows provided by financing activities were THB 11.7 billion, comprising proceeds from net cash received for structured bills of exchange and structured debentures as well as cash received from capital increase.

Relationship between sources and applications of funds

Two major sources of funds for the Bank were deposits and borrowings, while the applications of funds covered the extension of loans. As at 31 December 2015, the Bank had deposits, borrowings and loans classified by maturity as follows:

(Unit: THB billion)

Maturities	Loans*	%	Deposits*	%	Borrowings*	%
Payable on demand	17.0	8.2	88.1	48.1	3.3	5.9
Up to one year	58.9	28.5	93.1	50.9	28.2	50.0
Over one year	130.9	63.3	1.8	1.0	24.9	44.1
Total	206.8	100.0	183.0	100.0	56.4	100.0

*Including interbank and money market items.

The Bank derived its funds from customer deposits which can be categorised as follows:

(Unit: THB billion)

Categories of Deposit	2015*		2014*		2013*	
	Amount	%	Amount	%	Amount	%
Current deposits	3.1	1.7	2.8	1.5	2.4	1.5
Savings deposits	85.0	46.4	58.9	30.3	49.2	31.6
Fixed deposits	94.9	51.9	132.5	68.2	104.1	66.9
Total	183.0	100.0	194.2	100.0	155.7	100.0

*Including interbank and money market items.

Credit Rating

The Bank's credit rating by Fitch Ratings, Moody's Investors Service and RAM Ratings are shown below:

Fitch Ratings

National Long-Term Rating	29 February 2016	AA- (tha)
Outlook		Stable
National Short-Term Rating		F1+ (tha)
National Short-Term Rating on short-term debt		F1+ (tha)
National Long-Term Rating on subordinated debt (Lower Tier 2)		A+ (tha)

13 October 2015

Moody's Investors Service

Outlook	Stable
Bank deposits	Baa2/P-2
Baseline credit assessment	ba2
Adjusted baseline credit assessment	baa2
Counterparty risk assessment	Baa1(cr)/P-2(cr)
Issuer rating	Baa2
ST issuer rating	P-2

August 2015

RAM Ratings

Financial Institution Ratings	AA2/Stable/P1
Tier-2 Subordinated Debt	AA3/Stable

Financial Ratios

Capital funds and capital adequacy ratio

As at 31 December 2015, the Bank's assets were THB 26.3 billion higher than its liabilities. The difference represented positive shareholders' equity. Its total capital funds amounted to THB 35.4 billion with capital adequacy ratio (BIS ratio) of 15.5%, exceeding the regulatory requirement. At CIMB Thai group-level, the consolidated capital funds amounted to THB 35.5 billion with BIS ratio of 15.7%.

Liquid assets ratio

The Bank of Thailand requires all commercial banks to maintain a minimum liquid assets ratio of 6% of total deposits and offshore borrowings with less than one year maturity.

As at 31 December 2015, the Bank's total liquid assets were THB 60.4 billion, while the modified loan to deposit ratio stood at 91.2%. Its liquid assets to total assets ratio was 19.9% and liquid assets to total deposits ratio was 35.4%. All these ratios were within the regulatory requirements.

Appointment of external auditors and consideration of audit fees

The Audit Committee considers the qualifications and performance of external auditors and recommends the appointment thereof as well as proposes audit fees to the Board of Directors annually. The Board then proposes the external auditor appointment and audit fees for the consideration and approval of the general meeting of shareholders. The list of external auditors to be proposed must also be endorsed by the Bank of Thailand.

Remuneration for external auditors

For the year ended 31 December 2015, fees paid to the external auditors were as follows:

(1) Audit fees

CIMB Thai group paid the auditors audit fees totaling THB 10.9 million. Other incidental expenses included transport and photocopying expenses.

(2) Non-audit fee

CIMB Thai group did not obtain any other services from the audit firm for which the auditors were working and there were no other services from persons or businesses related to the auditors.

Part 3
Confirmation of Information Accuracy

We have reviewed all information disclosed in this Annual Information Disclosure Report with due care. We confirm that the information disclosed herein is accurate and complete without any false or missing material information. Furthermore, we would like to confirm that:

(1) The financial statements and the financial information summarized in the Annual Information Disclosure Report accurately and completely present material information concerning the financial position, performance, and cash flow of the Bank and its subsidiaries.

(2) It is our responsibility to arrange a sound information disclosure system, so as to ensure that we have accurately and completely disclosed material information of the Bank and its subsidiaries, and supervised system compliance accordingly.

(3) It is our responsibility to arrange a sound internal control system, and supervise system compliance accordingly. We have reported the internal control assessment as at 31 December 2015 to the Bank's auditor and the Audit Committee. The report covers deficiencies and significant changes in the internal control system, as well as any misconduct that may affect the financial reporting of the Bank and its subsidiaries.

As evidence that this documentation is the same as that confirmed by us, we have assigned Mr. Thaphop Kleesuwan to sign every page of the documentation. If any page is not signed by Mr. Thaphop Kleesuwan, it will be deemed unconfirmed information.

Name	Positions	Signature
1. Mr. Chitrapongse Kwangsukstith	Director	- <i>Chitrapongse Kwangsukstith</i> -
2. Mr. Subhak Siwaraksa	President and Chief Executive Officer	- <i>Subhak Siwaraksa</i> -

Name	Positions	Signature
Proxy Mr. Thaphop Kleesuwan	Executive Vice President, Office of the President	- <i>Thaphop Kleesuwan</i> -

Attachment 1

Information on Directors, Management, Persons with Power and Company Secretary

1. Information on Directors, Management, Persons with Power and Company Secretary

1.1 Details on Directors, Management, Persons with Power and Company Secretary

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
1. Dato' Robert Cheim Dau Meng Age 64 years Chairman Member and Alternate Chairman of Nomination, Remuneration and Corporate Governance Committee Date of appointment: 5 November 2008	- Fellow of the Institute of Chartered Accountants in England and Wales - Member of the Malaysian Institute of Accountants Training - International Advisory Panel (17 January 2015) - World Capital Markets Symposium 2015 (3-4 September 2015) - CIMB Annual Management Summit (20-21 November 2015)	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		1996 - Present	Director	RC Capital Sdn Bhd
		2005 - Present	Chairman	Tanjong PLC.
		2012 - Present	Director	Yu Cai Foundation
		July 2015 - Present	Chairman / Director	CIMB Investment Bank Bhd
		August 2015 - Present	Trustee	CIMB Foundation
-Present	Chairman / Director	CIMB - Principal Asset Management Bhd.		
Nov 2015 - Present				
Work Experience within Last 5 Years				
Period	Position	Company / Organization		
2006 - Feb 2015	Non-Executive Director	CIMB Group Holdings Bhd		
2006 - Feb 2015	Adviser	CIMB Investment Bank Berhad		
2005 - 2014	Director	CIMB Securities International Pte Ltd.		
1999 - 2006	Executive Director	CIMB Investment Bank Berhad		
1993 - 1999	Chief Executive Officer	CIMB Investment Bank Berhad		
Work Experience within Last 5 Years				
Period	Position	Company / Organization		
2015 - Present	Chairman of the Board	JAS Asset PCL.		
2014 - Present	Independent Director/ Chairman of the Audit Committee	World Corporation PCL.		
2012 - Present	Chairman of the Board	Srisawad Power 1979 PCL.		
Non-Listed Companies and Other Companies/Organisations				
Period	Position	Company / Organization		
2011 - Present	Member of the Ethics Committee	Federation of Accounting Professions		
2. Mr. Sukont Kanjana-Huttakit Age 69 years Vice Chairman Independent Director Chairman of Audit Committee Date of appointment: 24 September 2009	- M.A.(Finance), Virginia Polytechnic and State University, U.S.A. - B.A.(Finance), Virginia Polytechnic and State University, U.S.A. Training - 2010: Audit Committee Programme (ACP), Class30/2010 - 2007: Director Certification Programme (DCP)	Listed Companies		
		Period	Position	Company / Organization
		2015 - Present	Chairman of the Board	JAS Asset PCL.
		2014 - Present	Independent Director/ Chairman of the Audit Committee	World Corporation PCL.
		2012 - Present	Chairman of the Board	Srisawad Power 1979 PCL.
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		2011 - Present	Member of the Ethics Committee	Federation of Accounting Professions

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
Total Share Held in Bank		Work Experience within Last 5 Years		
No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None		Period	Position	Company / Organization
		2014- 2015	Vice Chairman and Chairman of the Audit Committee	Thai Sri Insurance Public Company Limited
		2012 -2014	Independent Director	Scan Inter Co.,Ltd.
		2006 - 2014	Executive Adviser	Tricor Outsourcing (Thailand) Co., Ltd.
		2007 - 2009	Member of the Risk Management Committee	TMB Asset Management Co.,Ltd.
		2006 - 2008	Board member and Chairman of the Audit Committee	Government Housing Bank
		Aug 2006 - Oct 2006	Board member	CAT Telecom PCL.
		2005 - 2008	Member of the Auditing Standard Screening Sub-Committee	Federation of Accounting Professions
		2003 - 2007	Member of the Audit Committee	Royal Bangkok Sports Club
		2003 - 2006	Member of Electronic Transactions Commission	Ministry of Information and Communication Technology
		1998 - 2006	Chairman and Senior Partner	PricewaterhouseCoopers Co., Ltd.
3. Mrs. Watanan Petersik Age 55 years Independent Director Member of Audit Committee Chairperson of Nomination and Remuneration and Corporate Governance Committee Member of Board Risk Committee Date of appointment: 25 April 2007	AB Bryn Mawr College, PA U.S.A. Training - Bursatra Sdn Bhd: Mandatory Accreditation Programme (MAP) for Directors of Public Listed Companies (17-18 March 2010) - Director Accreditation Programme (DAP 83/2010) English Programme (27 April 2010) - Certificate, Singapore Institute of Directors course : Role of Directors	Listed Companies		
		Period	Position	Company / Organization
		Present	Independent Director	PTT Global Chemical PCL
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		Jan 2016 - Present	Director	TPG Star SF Pte Ltd
		Jan 2016 - Present	Director	TPG Growth SF Pte Ltd
		Jan 2016 - Present	Director	TPG Growth III Asia Internet Holdings Pte Ltd
		Feb 2015 - Present	Director	TE Asia Healthcare Advisory Pte Ltd.
		Sep 2014 - Present	Director	TE Asia Healthcare Partners Pte Ltd.
		2010 - Present	Independent Director Non-Executive Director	CIMB Group Holdings Berhad
		Present	Director	Asia Capital Advisory PTE Ltd
		Present	Director	Lien Centre for Social Innovation Singapore Management University
Total Share Held in Bank		Work Experience within Last 5 Years		
No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None		Period	Position	Company / Organization
		2015	Senior Adviser/Consultant	TPG Capital Asia

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
4. Dato' Shaarani Bin Ibrahim Age 66 years Independent Director Member of Audit Committee Member of Nomination, Remuneration and Corporate Governance Committee Date of appointment: 20 January 2009	- B.A.(Hons) International Relations, Universiti Malaya Training - World Capital Markets Symposium, Malaysia (September 2015) - Affin Hwang Asset Management Investment Forum 2015, Malaysia (June 2015) - IDFR (Institute of Diplomacy and Foreign Relations) Lecture Series 3/2015 themed "China's One Belt, One Road Initiative: Strategic Implications, Regional Responses", Malaysia (June 2015) - ASEAN Game Changer Forum, Singapore (September 2014) - CIMB Group on the 6th Regional Compliance, Audit & Risk (CAR) Summit, Malaysia (June 2014) - 28th Asia-Pacific Roundtable (APR), Malaysia (June 2014) - CIMB Group on 5th Regional Compliance, Audit & Risk (CAR) Conference, Indonesia (June 2013) - Director Certification Programme (DCP 145/2011) (English Programme), Institute of Directors Thailand (April 2011) - Director Accreditation Programme (DAP 83/2010) (English Programme), Institute of Directors Thailand (April 2010) - Non-Executive Director Development Series (August 2009) - "Corporate Governance" by PriceWaterhouseCoopers, Malaysia (August 2009)	Listed Companies		
		Period	Position	Company / Organization
Total Share Held in Bank No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		Aug 2015 - Present	Director	CIMB Bank PCL., Vietnam
		Sep 2010 - Present	Chairman of CIMB Cambodia, Chairman of the Risk Committee, Member of the Audit Committee	CIMB Bank PCL., Cambodia
		Sep 2010 - Present	Independent Director, Chairman of the Remuneration Committee, Member of the Audit Committee, Member of the Nomination Committee	Dragon Group International Limited (DGI), Singapore
		Work Experience within Last 5 Years		
		Period	Position	Company / Organization
		Jan 2011 - Jan 2014	Board Member, Chairman of the Audit Committee, Member of the Investment Committee	Universiti Putra Malaysia (UPM)
		2005 - 2008	Ambassador of Malaysia	The Kingdom of Thailand
5. Mr. Chitrapongse Kwangskstith Age 66 years Director (Authorized Signatory) Member and Alternate Chairman of Board Risk Committee	- Doctor of Engineering Industrial, Lamar University, U.S.A. - M.Eng. (Industrial Engineering), Lamar University, U.S.A. - B.Eng. (Mechanical Engineering), Chulalongkorn University, Thailand	Listed Companies		
		Period	Position	Company / Organization
Total Share Held in Bank No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None	Training - Stanford Executive Program, Stanford University, U.S.A. (1993)	Present	Director	Thoresen Thai Agencies PCL.
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		Present	Director	Earth Green Co., Ltd.
		Present	Director	Baan Mee Green Co., Ltd.
		Present	Director	Panom Green Co., Ltd.
		Present	Director	Rayong Green Co., Ltd.
		Present	Director	Advances Advertising Technology Co., Ltd.

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
		Period	Position	Company / Organization
	<ul style="list-style-type: none"> - The National Defence Course, National Defence College (Class 4212), Thailand - DCP 42/2004, FND 9/2004, RCC 10/2010, NCGC, Thai Institute of Directors Association 	Present	Director	Green Energy Holding Co., Ltd.
		Present	Director	Green Energy Asia Group Co., Ltd.
		Work Experience within Last 5 Years		
		Period	Position	Company / Organization
		2014	Chairman	PTT Energy Resources Co., Ltd.
		2009-2014	Chairman	PTT International Co., Ltd.
		2008-2009	Chief Operating Officer, Upstream Petroleum and Gas Business Group	PTT PCL.
		2003-2007	Senior Executive Vice President, Gas Business Unit	PTT PCL.
6. Ms. Serena Tan Mei Shwen Age 37 years Director Member of Board Risk Committee Date of appointment: 6 May 2014 Total Share Held in Bank No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None	<ul style="list-style-type: none"> - Masters of Business Administration, Massachusetts Institute of Technology, USA - Bachelor of Commerce, Accounting & Finance, Macquarie University, Sydney, Australia - 7th Form Bursary Certificate - (Economics, Statistics, English, History), Aranui High School, Christchurch, New Zealand 	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		2005 - Present	Director	Investments, Khazanah Nasional Berhad, Kuala Lumpur, Malaysia
		Present	Director	Board of Acibadem Saglik ve Hayat Sigorta A.S. (Non-Independent, Non-Executive Director)
		Work Experience within Last 5 Years		
		Period	Position	Company / Organization
		April 2008 - Oct 2009	Principal	Olivant Advisors (Seconded from Khazanah), Singapore
March 2006 - April 2008	Senior Vice President, Office of the Chairman/CEO	Lippo Bank Tbk (Seconded from Khazanah), Jakarta, Indonesia		
Oct 2005 - March 2006	Vice President	Credit Cards Group Head		
Dec 2003 - Feb 2005	Associate	Boston Consulting Group, Kuala Lumpur, Malaysia		
April 2001 - Dec 2003	Senior Analyst	FIG Specialist, McKinsey & Company, Kuala Lumpur, Malaysia		
7. Dato' Lee Kok Kwan Age 50 years Director Chairman of Board Risk Committee Date of appointment: 24 December 2015 Total Share Held in Bank No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None	<ul style="list-style-type: none"> - Joint Honors (First Class), Bachelor of Business Administration & Economics, Simon Fraser University - Master of Business Administration, Simon Fraser University of Canada Training - Mandatory Accreditation Program for Directors of Public Listed Company (2015)	Listed Companies		
		Period	Position	Company / Organization
		Present	Director	CIMB Group Holdings Berhad
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		Present	Director	CIMB Bank Berhad
		Present	Director	Cagamas Holdings Berhad
Present	Adviser	Securities Commission Malaysia		
Present	President	Financial Markets Association of Malaysia		

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years				
		Work Experience within Last 5 Years				
		Period	Position	Company / Organization		
		2012-2015	Group Deputy CEO & Head of Treasury, Corporate Banking & Transaction Banking	CIMB Group Holding Berhad		
		2008-2012	Group Deputy CEO & Treasurer	CIMB Group Holding Berhad		
		2006-2008	Group Treasurer	CIMB Group Holding Berhad		
		1997-2006	General Manager of Treasury & Debt Capital Markets	CIMB Investment Bank		
		1996-1997	Head of Risk Management	CIMB Investment Bank		
8. Mr. Subhak Siwaraksa Age 59 years Director (Authorized Signatory) President and Chief Executive Officer Chairman of Management Committee Chairman of Risk Management Committee Chairman of Credit Risk Committee Chairman of Credit Committee Level 2 Chairman of Retail Business Committee Chairman of Assets and Liabilities Management Committee Chairman of IT Strategic Planning Committee Chairman of Marketing Risk Committee Thailand Chairman of Marketing and Communications Committee Chairman of Community Link Project Task Force Committee Chairman of Product Development Committee Date of appointment: 17 March 2009	<ul style="list-style-type: none"> - Ph.D. (Economics), University of Pennsylvania, U.S.A. - M.A. (Law and Diplomacy), Fletcher School of Law and Diplomacy, Tufts University, Massachusetts, U.S.A. - B.A. (English Literature Honors Program and Economics), Georgetown University, Washington D.C., U.S.A. <p>Training</p> <ul style="list-style-type: none"> - Financial Institutions Governance Programme (FGP), Class 3/2011 (2011) - Certificate, Capital Market Academy Leadership Programme, Class 10 (March - July 2010) - National Defence College (Class 2007) (2007) - Directors Certification Programme (DCP), Thai Institute of Directors Association (2006) - Directors Accreditation Programme (DAP) Thai Institute of Directors Association (2005) - Financial Executive Seminar, Bangkok (FINEX IV) (1993) 	Listed Companies				
				Period	Position	Company / Organization
				-	-	-
				Non-Listed Companies and Other Companies/Organisations		
				Period	Position	Company / Organization
				2014-Present	Governor, Member of the Audit Committee and Member of the Corporate Governance and Social Responsibility Committee	The Stock Exchange of Thailand
				2013-Present	Chairman	Sathorn Asset Management Co., Ltd.
				Work Experience within Last 5 Years		
				Period	Position	Company / Organization
				2011 - 2013	Governor, Member of the Audit Committee and Member of the Listing Expansion and Development Committee	The Stock Exchange of Thailand
		2008 - 2009	Director	Export-Import Bank of Thailand		
		2008 - 2009	Chairman	TMB Asset Management Co., Ltd.		
		2003 - 2008	President and Chief Executive Officer	TMB Bank PCL.		
Total Share Held in Bank						
No. of shares held as of 2015						
- By himself: None						
- By his spouse and minor children: None						

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
9. Assoc.Prof. Dr. Ismaae Alee Age 65 years Shariah Advisor Date of appointment: 1 August 2011	<ul style="list-style-type: none"> - Higher Cert. in Promotion of Peaceful Society, King Prajadhipok's Institute - Ph.D., Al-Fiqh (First Class Hons), Islamic University of Madinah, Saudi Arabia - M.A., Al-Fiqh (Excellence), Islamic University of Madinah, Saudi Arabia - B.A., Sharia (Hons), Islamic University of Madinah, Saudi Arabia - B.A., (Dawah and Usul al- din), Islamic University of Madinah, Saudi Arabia 	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		2014 - Present	Chairman	Orphans Foundation
2007 - Present	Member, Chairman of Halal Affairs	Central Islamic Council of Thailand		
Work Experience within Last 5 Years				
Period	Position	Company / Organization		
2010 - 2011	Head of Delegation	Thai Haj Delegation		
2008 - 2010	Member	Shariah Advisory Council, Securities Commission, Malaysia		
2007 - 2010	Associate Professor of Islamic Law	Advisory Council for Peace Building in Southern Border Provinces of Thailand		
2006 - 2010	Head	College of Islamic Studies (CIS), Prince of Songkla University (PSU)		
2002 - 2010	Director	Doctoral Degree in Islamic Studies of CISPSU College of Islamic Studies CIS-PSU		
10. Dr. Maroning Salaming Age 50 years Shariah Advisor Date of appointment: 1 August 2011	<ul style="list-style-type: none"> - Ph.D. (Principles of Islamic Jurisprudence), Islamic University of Medina, Saudi Arabia - M.A. (Principles of Islamic Jurisprudence), Islamic University of Medina, Saudi Arabia - B.A. (Islamic Law), Islamic University of Medina, Saudi Arabia 	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		2015 - Present	Expert	Sheikhul Islam
2013 - 2014	Deputy Secretary General	Southern Border Provinces Administration Center		
2012 - 2014	Specialized Committee Member	Hajj Promotion Committee of Southern Border Provinces of Thailand, pursuant to the appointment order of Southern Border Provinces Administration Center		
2011 - Present	Member of Shariah Advisory Council	Koperasi Bina Berhad Sheikhul Islam		
2010 - Present	Consultant and Working Committee Member	College of Islamic Studies, Prince of Songkla University, Pattani Campus		
2008 - Present	Adviser on Ph.D. Thesis	College of Islamic Studies, Prince of Songkla University, Pattani Campus		
2006 - Present	Adviser on Master's Degree Thesis	College of Islamic Studies, Prince of Songkla University, Pattani Campus		
2005 - Present	Professor of Islamic Law Department Committee Member	College of Islamic Studies, Prince of Songkla University, Pattani Campus		
2015 -	Adviser of Director	College of Islamic Studies, Prince of Songkla		

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
		Period	Position	Company / Organization
		Present 2016 - Present	Studies Member of Haj Affairs Committee B.E. 2559	University, Pattani Campus The Center Islamic Council of Thailand
		Work Experience within Last 5 Years		
		Period	Position	Company / Organization
		2009 - 2015	Member of Management Committee of Ph.D Program	College of Islamic Studies, Prince of Songkla University, Pattani Campus
		2010 - 2011	Member	Programme on Promoting and Supporting Community Islamic Bank in Southern Border Provinces
		2009 - 2010	Member of Working Committee of Operation Model Study	Community Islamic Bank Pursuant to the order of Sub Committee on Policy and Coordination of Judicial Process in Southern Border Provinces
		2008 - 2010	Member of Working Committee of Developing Adoption of Islamic Laws in Southern Border Provinces	
		2007 - 2011	Member of the Sa-kad Fund Operation Support Committee	Pursuant to the Office of the Prime Minister
		2011 - 2013	Specialized Council Member	Council for Yala Primary Educational Service Area 1
11. Mr. Surachai Chitratsenee ¹ Age 65 years Deputy CEO Senior Executive Vice President Business Support Group Date of appointment: 1 January 2015	- M.A. (Economics) State University of New York at Binghamton, U.S.A. - B.S. (Economics) Central Missouri State University, U.S.A.	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		2005 - Present	Chairman	Center Auto Lease Co.,Ltd.
		Dec 2014 - Present	Director	Sathorn Asset Management Co., Ltd.
		Work Experience within Last 5 Years		
		Period	Position	Company / Organization
		2005 – 2010	Chairman	WorldLease Co.,Ltd.
		Feb 2014 – Apr. 2015	Chairman	CT Coll Co.,Ltd
Total Share Held in Bank				
No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None				

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
		Period	Position	Company / Organization
12. Mrs. Panute Na Chiangmai Age 59 years Senior Executive Vice President, Risk Management Group Date of appointment: 1 July 2009	- Master of Science Business (Marketing) University of Wisconsin-Madison - Master of Business Administration (Finance & Management) University of Wisconsin-Madison - Bachelor of Education (Education Psychology) Chulalongkorn University	Listed Companies		
		-	-	-
Total Share Held in Bank		Non-Listed Companies and Other Companies/Organisations		
No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None	Training - Financial Institutions Governance Programme (FGP), Class 3/2011 - Senior Credit Workshop by OMEGA (August 2013, August 2015)	Work Experience within Last 5 Years		
		-	-	-
13. Mr. Pornchai Padmindra Age 43 years Senior Executive Vice President Wholesale Banking Group Date of appointment : 1 September 2013	- Bachelor of Accounting Kasetsart University - AFS Scholarship Student Exchange Program Training - Director Accreditation Program (DAP), Class 73/2008 (2008)	Listed Companies		
		-	-	-
Total Share Held in Bank		Non-Listed Companies and Other Companies/Organisations		
No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None		Work Experience within Last 5 Years		
		Period	Position	Company / Organization
		Sep 2011 - Aug 2013	Executive Vice President, Corporate Banking Team 2	Thanachart Bank Plc.
		Oct 2008 - Aug 2011	Executive Vice President, Origination & Client Coverage	Standard Chartered Bank (Thai) Plc.
		Mar 2007 - Sep 2008	Managing Director	Citicorp Securities (Thailand) Ltd.

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years			
14. Mr. Adisorn Sermchaiwong Age 49 years Senior Executive Vice President Retail Banking Group Date of appointment: 11 September 2012	- MBA Sasin Graduate Institute of Business Administration of Chulalongkorn University - B.E. Chulalongkorn University Training - Director Certification Programme (2005) - Advanced Management Programme, Oxford University - Capital Market Academy Leadership Programme, Capital Market Academy (CMA), Class 1	Listed Companies			
		Period	Position	Company / Organization	
		-	-	-	
		Non-Listed Companies and Other Companies/Organisations			
		Period	Position	Company / Organization	
		2013 - Present	Director	CIMB-Principal Asset Management Co., Ltd.	
Total Share Held in Bank			Work Experience within Last 5 Years		
No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None		Period	Position	Company / Organization	
		2010 - 2012	Executive Director, Country Head of Channels	UOB Bank PCL.	
		2007 - 2010	Executive Vice President, Saving & Investment Products	Siam Commercial Bank PCL.	
		2002 - 2007	President	SCB Asset Management Co.,Ltd.	
15. Mr. Sutee Losoponkul Age 55 years Senior Executive Vice President Treasury Group Date of appointment: 1 April 2011	- MBA National Institute of Development Administration (NIDA) - B.Sc. (Industrial Engineering) Prince of Songkla University Training - The National Defence college of Thailand - Market Risk for Treasury Products, New York Institute of Finance (Financial Times) - Asset and Liability Management, Chase Manhattan Bank, Singapore - Treasury Training Scheme, Institute of Banking and Finance (IBF), Singapore <ul style="list-style-type: none"> • Offshore Deposit Market • Foreign Exchange Arithmetic • Financial Future • Options • Citibank Bourse Game 	Listed Companies			
		Period	Position	Company / Organization	
		-	-	-	
		Non-Listed Companies and Other Companies/Organisations			
		Period	Position	Company / Organization	
		4 Mar 2011 - Present	Director	CIMB Securities (Thailand) Co.,Ltd.	
Total Share Held in Bank		23 Apr 2013	Director	The Thai Bond Market Association	
No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None		Work Experience within Last 5 Years			
		Period	Position	Company / Organization	
		-	-	-	
		Total Share Held in Bank			Listed Companies
16. Mr. Jason Leong Kok Yew Age 43 years Executive Vice President and Acting Head Finance Group Date of appointment: 1 February 2016	- Bachelor in Economics Macquarie University, Australia	Period	Position	Company / Organization	
		-	-	-	
		Non-Listed Companies and Other Companies/Organisations			
		Period	Position	Company / Organization	
2008 - Present	Director, Group Finance	CIMB Bank			

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
		Period	Position	Company / Organization
Total Share Held in Bank No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None		Work Experience within Last 5 Years		
		2005-2008	Accounting Department Manager	Bangkok Bank PCL.
17. Mr. Narong Lerdluckanawong Age 57 years Executive Vice President, Trade Finance Sales & Product Division and Acting Head of Transaction Banking Group Date of appointment: 12 January 2016	- Business Administration, Bangkok Commercial Campus	2000-2005	Manager	PwC/IBM
		1992-2000	Manager	Deloitte
Total Share Held in Bank No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None		Listed Companies		
		-	-	-
18. Mrs. Siriporn Ambhanwong Age 59 years Head of Operations Division and Acting Head of Group Information and Operations Division Date of appointment: 12 January 2016	- Master of Arts in International Relations IOWA States University, U.S.A. - Bachelor of Arts in Political Science Chulalongkorn University	Non-Listed Companies and Other Companies/Organisations		
		-	-	-
Total Share Held in Bank No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None		Work Experience within Last 5 Years		
		1999-2014	FVP, Trade Finance	Sumitomo Mitsui Banking Corp
18. Mrs. Siriporn Ambhanwong Age 59 years Head of Operations Division and Acting Head of Group Information and Operations Division Date of appointment: 12 January 2016	- Master of Arts in International Relations IOWA States University, U.S.A. - Bachelor of Arts in Political Science Chulalongkorn University	Listed Companies		
		-	-	-
Total Share Held in Bank No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None		Non-Listed Companies and Other Companies/Organisations		
		-	-	-
Total Share Held in Bank No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None		Work Experience within Last 5 Years		
		2013 - Present	EVP, Head of Operations Division	CIMB Thai Bank Pcl
18. Mrs. Siriporn Ambhanwong Age 59 years Head of Operations Division and Acting Head of Group Information and Operations Division Date of appointment: 12 January 2016	- Master of Arts in International Relations IOWA States University, U.S.A. - Bachelor of Arts in Political Science Chulalongkorn University	2011 - 2014	Chief Operating Office, Operations Group	Ayudhya Capital Services, Krungsri Consumer
		2008 - 2011	EVP, Operations Processing and Services Division	Bank of Ayudhya, Krungsri Group

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
19. Mrs. Kanokpai Vongsatitporn Age 43 years Executive Vice President Human Resources Management Division Date of appointment: 1 February 2015	- MBA, Business Management Kasetsart University - B.B.A, MIS/Finance Thammasat University Training - CPP/Potential, MBTI Certification Programme (2013) - CPP/Potential, MBTI Type and Coaching (2013)	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		-	-	-
		Work Experience within Last 5 Years		
Period	Position	Company / Organization		
2012-2014	Chief Human Resources Officer	FWD Life Insurance PCL.		
2011	Acting Head of Human Resources	HSBC		
2005-2011	VP, Human Resources	HSBC		
Total Share Held in Bank				
No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None				
20. Mr. Prapas Thongsuk Age 52 years Executive Vice President Corporate Communications Division Date of appointment: 1 April 2010	- MBA National Institute of Development Administration (NIDA) - B.Ed. Chulalongkorn University	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		-	-	-
		Work Experience within Last 5 Years		
Period	Position	Company / Organization		
2004 - 2010	SVP, Corporate Marketing	Krungthai Card PCL.		
Total Share Held in Bank				
No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None				
21. Mr. Tan Keat Jin Age 41 years Executive Vice President Strategy Division Date of appointment: 1 October 2015	- MBA (Merit), University of Bath, United Kingdom, 2003 - Bachelor of Engineering (1st Class Honours), University College London, United Kingdom, 1997 Training - CIMB-INSEAD Executive Development Programme, Cohort 4	Listed Companies		
		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		-	-	-
		Work Experience within Last 5 Years		
Period	Position	Company / Organization		
2013-2015	General Manager	CIMB Bank, London Branch		
2011-2013	Portfolio Management Lead	Private Equity – Portfolio Management (CIMB Group)		
2006-2011	Programme Lead with specialization in areas of Corporate Banking, SME Banking, Treasury, Finance, Risk Management, IT and Operations	CASA Enhancement Programme (CIMB Niaga) Regional CASA Taskforce (CIMB Group) Bank-wide Business Turnaround (CIMB Thai)		
Total Share Held in Bank				
No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None				

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
		2005-2006	Specialist	Single Largest Big-Bang Bank Merger in ASEAN (Bank Niaga – Bank Lippo Merger) Cross-Border Synergy Programme (CIMB Group – Bank of Yingkou, China) Cross-Border Synergy Programme (CIMB Group – Bank Niaga) Fastest Bank Merger in Malaysia (BCB – Southern Bank Merger) Bank Negara Malaysia (Central Bank of Malaysia) Accenture Malaysia
22. Mr. Thaphop Kleesuwan Age 55 years Executive Vice President Compliance Department Date of appointment: 22 June 2011 Executive Vice President Office of the President and Company Secretary Date of appointment: 21 July 2008	<ul style="list-style-type: none"> - LL.M. (Laws in Taxation), DePaul University, Chicago, Illinois, U.S.A. - LL.B, Chulalongkorn University <p>Training</p> <ul style="list-style-type: none"> - Bond-related Regulations Programme - Measure to Prevent Thai Baht Speculation Programme - Tone at the Top Programme - Credit Information Business Act Programme - Financial Institution Governance Programme, Thai Institute of Directors - Laws and Regulations for Company Secretary According to New Law on Securities and Exchange Programme, Faculty of Law, Chulalongkorn University - Commercial Banking Business Regulators Programme, Faculty of Law, Chulalongkorn University - Company Secretary Programme, Thai Institute of Directors - Knowledge on operating securities business for head of compliance division, Thai Bankers' Association and The Thai Institute of Banking and Finance Association 	Listed Companies		
Total Share Held in Bank		Period	Position	Company / Organization
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		Period	Position	Company / Organization
		-	-	-
		Work Experience within Last 5 Years		
		Period	Position	Company / Organization
No. of shares held as of 2015		2008 - 2010	Director	Sathorn Asset Management Co., Ltd.
- By himself: None				
- By his spouse and minor children: None				

Name of Director / Age / Position / Date of Appointment	Education	Directorship and Positions Held in Other Companies/Organisations and Work Experience within Last 5 Years		
		Period	Position	Company / Organization
23. Ms. Siriporn Sanunpairaue Age 51 years Senior Executive Vice President Internal Audit Division Date of appointment: 1 July 2015 Total Share Held in Bank No. of shares held as of 2015 - By himself: None - By his spouse and minor children: None	- MBA, Thammasat University - B.Acc., Thammasat University Training - CIMB-INSEAD Leadership Program - CIA Preparation, Institute of Internal Auditors of Thailand - Certified Professional Internal Auditor (CPIA), Institute of Internal Auditors of Thailand	Listed Companies		
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		-	-	-
		Work Experience within Last 5 Years		
		2007 - 2008	Head of Internal Audit Department, Senior Vice President	Standard Chartered Bank (Thai) PCL.
		2006 - 2007	Senior Audit Manager, Group Internal Audit	Standard Chartered Bank
		Listed Companies		
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
-	-	-		
Work Experience within Last 5 Years				
2008 - 2011	Vice President, Data Management and Reporting Department, Finance Group	Bank of Ayudhya PCL.		
2005 - 2007	Vice President, Accounting	GE Money Retail Bank PCL.		
24. Ms. Winita Kimsawadi Age 51 years Senior Vice President Financial Reporting Department Date of appointment: 11 January 2016 Total Share Held in Bank No. of shares held as of 2015 - By herself: None - By his spouse and minor children: None	- Master of Accountancy, Chulalongkorn University - BBA.(Accounting), Chulalongkorn University Training Advanced Financial Leadership Program (AFLP)	Listed Companies		
		-	-	-
		Non-Listed Companies and Other Companies/Organisations		
		-	-	-
		Work Experience within Last 5 Years		
		2008 - 2011	Vice President, Data Management and Reporting Department, Finance Group	Bank of Ayudhya PCL.
		2005 - 2007	Vice President, Accounting	GE Money Retail Bank PCL.

Notes: None of the directors and executives are related by family
 /1 The Board meeting resolved extending the employment and appointment of Mr. Surachai Chitratsenee as Deputy CEO and Senior Executive Vice President, Business Support Group, taking effect from 1 January 2016 to 31 December 2016.

Change in Shareholding of Directors and Senior Executives of the Bank

As at 31 December 2015, there were no directors and senior executives of the Bank holding its shares.

Directors' and Senior Executives' Share Ownership in Subsidiary Companies

Information as at 31 December 2015 compared with information as at 31 December 2014:

Particulars	No. share holding As at 31 Dec 15 (Shares)	No. share holding As at 31 Dec 14 (Shares)	No. of shares changed
Mr. Thaphop Kleesuwan Executive Vice President, Office of the President, and Executive Vice President, Compliance Department			
- Center Auto Lease Co., Ltd.	2	2	-
- Worldlease Co., Ltd.	1	1	-
Mr. Tanit Onnuch First Vice President, Central Procurement and Administration Department			
- Center Auto Lease Co., Ltd.	2	2	-

1.2 Responsibilities of Company Secretary

The Board has appointed Mr. Thaphop Kleesuwan as Company Secretary and Secretary to the Board of Directors to assist the Board in fulfilling its tasks. His duties include providing legal advice and ensuring Board activities comply with applicable laws and regulations in line with corporate governance principles, as follows:

- Providing preliminary advice and recommendations pertaining to legal, regulatory and governance issues and practices to the Board.
- Arranging Board and shareholder meetings in accordance with the laws and the Bank's Articles of Association, preparing minutes of these meetings and monitoring compliance with the resolutions passed at those meetings.
- Ensuring that corporate information disclosures to regulatory agencies are in accordance with laws and regulations.
- Communicating with shareholders on their legal rights and material Bank information.
- Maintaining the register of directors, minutes of Board meetings, invitation notices and minutes of shareholder meetings, reports of beneficial interests of directors and executives, and other tasks as required by relevant laws.

Attachment 2

Information on Directors of Subsidiaries

Details of Directors and Executives in Subsidiaries and Related Companies (as of 31 January 2016)

Name	Bank	Subsidiaries			Others / Affiliate Companies																				
		1	2	3	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
1. Dato' Robert Cheim Dau Meng	A				F	A	F	A,F	I	A,F															
2. Mr. Sukont Kanjana-Huttakit	B,C										C	D,A,E	A	D											
3. Mrs. Watanan Petersik	D,E,G													D	F	F	F	F	F	F	D,J	F	F		
4. Dato' Shaarani Bin Ibrahim	D,E																								F
5. Mr. Chitrapongse Kwangsukstith	F																								
6. Ms. Serena Tan Mei Shwen	F																								
7. Dato' Lee Kok Kwan	F,H																				F				
8. Mr. Subhak Siwaraksa	F,T																								
9. Mr. Surachai Chitratsenee	U																								
10. Mrs. Panute Na Chiangmai	U																								
11. Mr. Pornchai Padmintra	U																								
12. Mr. Adisorn Sermchaiwong	U																								
13. Mr. Sutee Losoponkul	U																								
14. Mr. Jason Leong Kok Yew	W																								
15. Mr. Narong Lerdluckanawong	W																								
16. Mrs. Siriporn Ambhanwong	W																								
17. Mrs. Kanokpai Vongsatitporn	W																								
18. Mr. Prapas Thongsuk	W																								
19. Mr. Tan Keat Jin	W																								
20. Ms. Siriporn Sanunpairaue	U																								
21. Ms. Winita Kimsawadi	X																								

Name	Bank	Subsidiaries			Others / Affiliate Companies																					
		1	2	3	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	
1. Dato' Robert Cheim Dau Meng	A																									
2. Mr. Sukont Kanjana-Huttakit	B,C																									
3. Mrs. Watanan Petersik	D,E,G																									
4. Dato' Shaarani Bin Ibrahim	D,E				A,K,E	D,L,E,M																				
5. Mr. Chitrapongse Kwangsukstith	F						F	F	F	F	F	F	F													
6. Ms. Serena Tan Mei Shwen	F													F	F											
7. Dato' Lee Kok Kwan	F,H															F	F	N	O							
8. Mr. Subhak Siwaraksa	F,T																				F,P,Q	A				
9. Mr. Surachai Chitratsenee	U	A																				F				
10. Mrs. Panute Na Chiangmai	U																									
11. Mr. Pornchai Padmintra	U																									
12. Mr. Adisorn Sermchaiwong	U																							F		
13. Mr. Sutee Losoponkul	U																							F	F	
14. Mr. Jason Leong Kok Yew	W																									
15. Mr. Narong Lerdluckanawong	W																									
16. Mrs. Siriporn Ambhanwong	W																									
17. Mrs. Kanokpai Vongsatitporn	W																									
18. Mr. Prapas Thongsuk	W																									
19. Mr. Tan Keat Jin	W																									
20. Ms. Siriporn Sanunpairaue	U																									
21. Ms. Winita Kimsawadi	X																									

Remarks

A Chairman	B Vice Chairman	C Chairman of Audit Committee
D Independent Director	E Member of Audit Committee	F Director
G Chairman of Nomination, Remuneration and Corporate Governance Committee	H Chairman of Board Risk Committee	I Trustee
J Non-Executive Director	K Chairman of Risk Committee	L Chairman of Remuneration Committee
M Member of Nomination Committee	N Adviser	O President
P Member, Audit Committee	Q Member, Corporate Governance and Social Responsibility Committee	

Subsidiaries

- | | | |
|--------------------------------|--------------------------|----------------------|
| 1. Center Auto Lease Co., Ltd. | 2. World Lease Co., Ltd. | 3. CT COLL Co., Ltd. |
|--------------------------------|--------------------------|----------------------|

Others / Affiliate Companies

- | | | |
|---|--|---|
| 1. RC Capital Sdn Bhd | 2. Tanjong PCL. | 3. Yu Cai Foundation |
| 4. CIMB Investment Bank Bhd | 5. CIMB Foundation | 6. CIMB - Principal Asset Management Bhd. |
| 7. JAS Asset PCL. | 8. World Corporation PCL. | 9. Srisawad Power 1979 PCL. |
| 10. Federation of Accounting Professions | 11. PTT Global Chemical PCL. | 12. TPG Star SF Pte Ltd |
| 13. TPG Growth SF Pte Ltd | 14. TPG Growth III Asia Internet Holdings Pte Ltd | 15. TE Asia Helathcare Advisory Pte Ltd |
| 16. TE Asia Helathcare Partners Pte Ltd | 17. CIMB Group Holdings Berhad | 18. Asia Capital Advisory Pte Ltd |
| 19. Lien Center for Social Innovation Singapore Management University | 20. CIMB Bank PCL, Vietnam | 21. CIMB Bank PCL, Cambodia |
| 22. Dragon Group International Limited (DGI), Singapore | 23. Thoresen Thai Agencies PCL. | 24. Earth Green Co., Ltd. |
| 25. Baan Mee Green Co., Ltd. | 26. Panom Green Co., Ltd. | 27. Rayong Green Co., Ltd. |
| 28. Advances advertising Technology Co., Ltd. | 29. Green Energy Holding Co., Ltd. | 30. Green Energy Asia Group Co., Ltd. |
| 31. Investment, Khazanah Nasional Berhad | 32. Board of Acibadem Saglik ve Hayat Sigorta A.S. | 33. CIMB Bank Berhad |
| 34. Cagamas Holdings Berhad | 35. Securities Commission Malaysia | 36. Financial Markets Association of Malaysia |
| 37. The Stock Exchange of Thailand | 38. Sathorn Asset Management Co., Ltd | 39. CIMB-Principal Asset Management Co., Ltd |
| 40. CIMB Securities (Thailand) Co., Ltd. | 41. The Thai Bond Market Association | |

Attachment 3

Details of Internal Audit Division Head and Compliance Department Head

Details of Internal Audit Division Head and Compliance Department Head

Details of education backgrounds and work experiences of Internal Audit Division Head and Compliance Department Head are as in Attachment 1 (items no. 22 and 23).

Roles and responsibilities of Compliance Department Head

Compliance Department Head has roles and responsibilities to ensure the Bank's business operation is in compliance with rules, regulations, policies and requirements of relevant government agencies such as the Bank of Thailand, Office of Securities and Exchange Commission and other agencies relating to banking business. The Board of Directors has approved policy and standard operating procedure regarding CIMB Group Compliance Policies and Procedures to ensure all senior executives and staff to completely and strictly comply with the rules, regulations, policies and requirements of such agencies.

Attachment 4

Detail on Asset Valuation

- None -

Attachment 5
Audit Committee Report

Audit Committee Report

In 2015, the Audit Committee performed specific responsibilities delegated to it by the Board of Directors. Every effort is made to ensure that the Bank complies with the relevant rules and regulations of the Bank of Thailand, the Stock Exchange of Thailand, the Securities and Exchange Commission, the Bank of Lao PDR, and the relevant regulatory bodies. In addition, it has in place adequate procedures and systems of good corporate governance, appropriate risk management and internal control system that can enhance value for the Bank in line with the objectives and targets set by the Board.

The main areas of focus for the Committee cover the Internal Audit including Credit Review and Compliance of the CIMB Thai Bank Group. The main roles and responsibilities of the Audit Committee are as follows:

1. To assist the Board in discharging its statutory duties and responsibilities relating to accounting, reporting practices and corporate governance.
2. To review the effectiveness of the internal audit function and the compliance function, in particular, approval of annual audit plan and compliance plan, adequacy of scope, functions, competency and resources, review results of internal audit process and, where necessary, remedial action taken, and compliance with relevant guidelines on internal audit issued by the Bank of Thailand, the Stock Exchange of Thailand, the Securities and Exchange Commission and the Bank of Lao PDR.
3. To review the effectiveness of the external auditor, in particular, the appointment, the audit fees, objectivity, performance and independence of the external auditors.
4. To review the comments and recommendations rendered by the regulators, Internal Audit Division, Credit Review Section, Compliance Department and external auditors with an aim to compel the officers concerned to ensure prompt, continuous and effective compliance, and that outstanding issues are followed-up and resolved.
5. To ensure that the accounts are prepared in a timely and accurate manner in accordance with generally accepted accounting principles as well as financial reporting standards.
6. To meet with Executive Management and the external auditors periodically to acknowledge and exchange opinions. In particular, to meet with external auditors without the presence of Executive Management at least twice a year.

In accordance with the roles and responsibilities above, the Audit Committee is of the opinion that the Bank's financial statements and disclosure of information are complete and reliable, consistent with generally accepted accounting principles. Overall risk management, effective systems of internal control, procedures to ensure compliance with applicable laws and regulations, and independent internal audit systems conducted in accordance with internal audit standards are adequate and consistent with the current business environment.

- Sukont Kanjana-Huttakit -

(Mr. Sukont Kanjana-Huttakit)
Chairman of Audit Committee

Attachment 6

The Nomination, Remuneration, and Corporate Governance Committee Report

The Nomination, Remuneration, and Corporate Governance Committee Report

In line with the roles and responsibilities of the Nomination, Remuneration, and Corporate Governance Committee, in 2015, the Committee continued to ensure that the Bank considered and nominated names of qualified candidates for positions of directors and senior executives of the Bank, and with appropriate remuneration and benefits according to their duties and responsibilities. In addition, the Committee also reviewed the Corporate Governance Policy and Codes of Conduct for directors and employees of the Bank to ensure consistency with the corporate governance criteria of relevant regulatory authorities.

In summary, the main roles and responsibilities of the Nomination, Remuneration, and Corporate Governance Committee are as follows:

1. To nominate qualified directors and senior executives and recommend remuneration and benefits appropriate to their duties and responsibilities to the Board for approval.
2. To consider the appointment of the Bank subsidiaries' directors and senior executives to the Board for concurrence.
3. To assess the performance of the Bank's senior executives against targets and performance criteria and refer the results to the Board with recommendations regarding the appropriate remuneration and benefits.
4. To review and consider the annual salary adjustments and bonuses for the Bank employees and propose to the Board for approval.
5. To review the Corporate Governance Policy and Codes of Conduct for directors and employees of the Bank ensuring consistency with the corporate governance criteria of relevant regulatory authorities, and to submit to the Board for approval.
6. To approve corporate governance guidelines for relevant units and present to the Board annually for acknowledgement so as to enhance good corporate governance of the Bank.

The Committee is also of the opinion that remuneration for directors and senior executives in year 2015 was in line with their duties and responsibilities, the individuals' performance, the overall economic situation, and the performance of the Bank.

- *Watanan Petersik* -

(Mrs. Watanan Petersik)
Chairperson of the Nomination, Remuneration,
and Corporate Governance Committee

Attachment 7

Statement on the Board of Directors Responsibility for Financial Statements

Report of Responsibility of the Board of Directors for Financial Statements

The Board of Directors is responsible for the financial statements of CIMB Thai Bank Public Company Limited and its subsidiaries as well as the financial information presented in this annual report. The aforementioned financial statements were prepared in accordance with Thailand's generally accepted accounting standards and international accounting standards, applying appropriate and consistent accounting policies and with careful judgment and best estimates. Important information is adequately disclosed in the notes to financial statements to ensure compliance with the Notifications of the Bank of Thailand and the Stock Exchange of Thailand.

The Board of Directors has established and maintained appropriate and effective internal control system in order to rationally assure that the accounting information is correctly and completely recorded and adequate to sustain the Bank's assets so as to prevent any irregular operations or fraud.

The Board of Directors has appointed an Audit Committee comprising Independent Directors to be responsible for the quality of financial statements and the effectiveness of the Bank's internal control system. The Audit Committee's comments on these issues are included in the Audit Committee's report presented in this annual report.

The Board of Directors is of the opinion that the Bank's overall internal control is at a satisfactory level and reasonably provides reliability on the Bank's and its subsidiaries in relation to the financial statements for the year end 31 December 2015.

- Chitrapongse Kwangsukstith -

(Mr. Chitrapongse Kwangsukstith)

Director

- Subhak Siwaraksa -

(Mr. Subhak Siwaraksa)

President and Chief Executive Officer

Attachment 8

Certified Financial Statement Report

Form 56-3

Certified Financial Statement Report

Financial Statement of CIMB Thai Public Company Limited

For The Accounting Period Ending December 31, 2015

Name of Auditor : Mrs. Anothai Leekijwattana Audit Office : PricewaterhouseCoopers ABAS Ltd.

We have reviewed the information disclosed in this financial statement with the information received via the carefully performing for the position of the highest executive of the company and the position of the highest management of Accounting function. We confirm that:

- (1) This financial statement presents the complete and correct information that material the financial position and cash flow of the Bank and its subsidiaries.
- (2) We are responsible to put in place of good disclosure system to ensure that the Bank have disclosed the material information of the Bank and its subsidiaries correctly and completely including supervision of control for the compliance such system.
- (3) We are responsible for the effectiveness of internal control and the supervision of compliance with such system and we have already reported the Internal Control Evaluation as at 31 December 2015 to the Auditors and the Bank's Audit Committee covering the deficiency and material change in the internal control system including the misconduct which may has an impact in the Banks and her subsidiaries financial statement preparation.

Name	Position	Signature
1. Mr. Chitrapongse Kwangsukstith	Director	<u>- Chitrapongse Kwangsukstith -</u>
2. Mr. Subhak Siwaraksa	President and Chief Executive Officer	<u>- Subhak Siwaraksa -</u>