

Minutes of the 22<sup>nd</sup> Annual Ordinary General Meeting

Krung Thai Bank PCL

Friday 10<sup>th</sup> April 2015

At Athénée Crystal Hall, 3<sup>rd</sup> floor, Plaza Athénée Bangkok, A Royal Méridien Hotel

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The meeting was opened at 14.00 hours.

Mr. Areepong Bhoocha-oom, the Chairman of the Board of Directors acted as the Chairman of the meeting, expressed welcome and informed the shareholders that the Bank's paid-up registered capital amounted to Baht 72,005,040,437.50 divided into 5,500,000 preferred shares and 13,976,061,250 ordinary shares, totaling 13,981,561,250 shares. Currently, 2,274 shareholders were attending the meeting in person and 3,217 proxies were representing shareholders totaling of 5,491 shareholders, building up a total 11,375,159,858 shares or 81.36% of the total sold shares which no less than one-third of the total sold shares thus constituting the quorum as prescribed by the Bank's Articles of Association and the 22<sup>nd</sup> Annual Ordinary General Meeting was declared to open.

The Chairman of the Meeting introduced directors, senior executives, auditors, representatives from the Thai Institute of Directors Association (IOD) and representative of members of the Shareholder's Right Protection Voluntary Group, Thai Investors Association as follows;

Directors and senior executives:

1. Mr. Areepong Bhoocha-oom Chairman of the Board of Directors and Chairman of the Independent Directors Committee
2. Mr. Kittipong Kittayarak Independent Director, Chairman of the Audit Committee, Member of the Nominating and Remuneration Committee and Member of the Compliance Committee
3. Mr. Distat Hotrakitya Independent Director, Chairman of the Compliance Committee and Member of the Nominating and Remuneration Committee
4. Mr. Nontigorn Kanchanachitra Independent Director, Chairman of the Nominating and Remuneration Committee, Member of the Audit Committee and Member of the Corporate Governance and Social Responsibility Committee
5. Lieutenant General Tienchai Rubpom Independent Director, Member of the Audit Committee and Member of the Compliance Committee
6. Mr. Prasert Bunsumpun Director and Chairman of the Board of Executive Directors
7. Mr. Supant Mongkolsuthree Director and Chairman of the Corporate Governance and Social Responsibility Committee
8. Mr. Chakkrit Parapuntakul Director, Chairman of the Risk Management Committee and Executive Director

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|----------------------------|---|
| 9. Mr. Somchai Poolsavasdi | Director, Executive Director and Member of the Corporate Governance and Social Responsibility Committee |
| 10. Mr. Vorapak Tanyawong  | President, Executive Director and Member of the Risk Management Committee                               |

Mr. Parinya Patanaphakdee, Corporate Secretary, acted Secretary of the Meeting. The Bank's Managing Director included Ms. Kittiya Todhanakasem, Managing Director, Financial Management Group.

Auditors from the Office of the Auditor General of Thailand:

1. Mr. Somchai Pittayavorachareon
2. Ms. Arunee Ruadreaw
3. Mr. Sricha Thongthep

Representative from the Thai Institute of Directors Association (IOD) :

Ms. Manee Maneesang

Representative of members of the Shareholders's Right Protection Voluntary Group, Thai Investor Association:

Ms. Kritika Pathomkasikul

With this regard, KTB LAW Co., Ltd. was invited to act as the meeting inspector so that the meeting would be conducted in accordance with applicable laws and the Bank's Articles of Association as well as the good corporate governance.

The Chairman requested the secretary to inform the meeting about the regulations related to the Annual Ordinary General Meeting and shareholders rights for convenience and decorum in the meeting.

The Secretary expressed thanks to the shareholders for sacrificing their time to attend the meeting and elucidated the matter in summary as follows;

For efficiency in conducting the Annual Ordinary General Meeting, the shareholders wishing to raise questions/queries or express opinions would be required to introduce themselves by informing the meeting of their first and last name. In case of being proxies, they would be requested to inform the first and last name of their shareholder to the Bank staff as well in order to record into the minutes. Queries raised or recommendations made were required to be relevant to the agenda item under current consideration. In case for the query or suggestion on the topic that was not related to the agenda, it could be made after all agendas stated in the invitation letter had been completely considered.

The voting is base on the principle of one share equals one vote. The shareholders shall be required to vote for respective agenda in the only vote. The shareholders is eligible to cast their vote just one either vote in favor, vote against or vote abstention. The vote could not be divided as partial vote except for the custodian with Proxy Form C.

To enable the voting to proceed speedily, the Bank adopted the barcode system in counting the votes, and only the negative votes and abstentions would be counted while the difference of votes would be regarded as voted in favor except the agenda: consideration the election of Directors to replace those who are retiring upon completion of their terms of office whereby the votes in favor, votes against and abstentions would all be counted so as to comply with the requirement prescribed by the Office of the Securities and Exchange Commission. The shareholders wishing to leave the meeting room with advance voting were required to contact the staff except for wishing be treated as positive voting. For each agenda item approval, a resolution would be based on majority votes of the attending shareholders who cast their votes except for the agenda: consideration and approval of the Directors' remuneration whereby resolution would require votes of not less than two-thirds of the votes cast by the attending shareholders. The voting result of respective agenda shall be informed with the voting amount of positive, negative and abstention votes.

After the process and procedure of making inquiry or recommendation and counting vote had already been informed, Ms. Pichaya Boonwatana, the representative of KTB LAW Co., Ltd., was invited to act as the inspector in order that the meeting could be run transparently and in compliance with the law and the Bank's Articles of Association. Concurrently, the meeting was invited one shareholder to act as the representatives of the meeting in witnessing the vote counting, Mr. Phichet Charoenying nominated himself.

Furthermore, the meeting was informed the detail regarding a trip to visit Sculpture Park at Krung Thai Bank PCL Training Center Khao Yai, Pakchong District, Nakhon Ratchasima Province on 23<sup>rd</sup> June 2015 and 24<sup>th</sup> June 2015. The interested shareholders who wish to visit the Training Center would be capable to register for such visit scheduled. In this regards, in case there are more than 400 shareholders registered, the Bank would randomly select only 400 shareholders by announcing the list of eligible shareholders for the trip on the Bank's website on 30<sup>th</sup> April 2015. The Bank officers would coordinately contact all the selected shareholders to inform for further details of the trip.

Additionally, the Bank had offered the opportunity to the shareholders to propose any agenda deemed appropriate for inclusion on the agenda at the Annual Ordinary General Meeting and to nominate persons to be elected as Directors during 1<sup>st</sup> October – 31<sup>st</sup> December 2014 in accordance with the Principles of Good Corporate Governance for Listed Companies by the Stock Exchange of Thailand on the Bank's website. It appeared that there were no any agenda item proposed and candidate nominated by shareholders. So that, the Bank has publicized document of the agenda at the 22<sup>nd</sup> Annual Ordinary General Meeting via the Bank's website since 9<sup>th</sup> March 2015.

The Bank has disseminated the Bank's corporate social responsibility (CSR) activities during the previous year through the KTB Social Responsibility Report 2014 which was delivered to the shareholders together with Invitation Letter. In this regard, the shareholders were requested for their cooperation in completing a questionnaire or opinions about the Bank's handling of the 22<sup>nd</sup> Annual Ordinary General Meeting so that the Bank would use the opinions or comments obtained for further improvement in holding the next meeting.

The Chairman had continued the meeting in accordance with the agenda stated in the invitation letter. Each agenda was informed to the shareholders by the secretary starting from agenda 1. With this regard, agenda 5: consideration and approval the adjustment of the dividend payment policy was approved to revoke after the invitation letter had been sent to shareholders. The Board of Directors of the Bank had considered and mutually agreed that there were other issues related to the appropriateness and balance of the shareholder's returns as well as the sustainable growth of the Bank's business that required to be carefully considered. With this regard, the Bank had already sent letter to inform the Stock Exchange of Thailand and published the announcement in the newspapers as well as delivered the additional document to the shareholders. Therefore, agenda 5 was lastly withdrawn. The Secretary informed the agenda 6 to agenda 8, while agenda 9 was the other issues (if any). However, in accordance with Article 43 of the Bank's Articles of Association and the Public Limited Companies Act, Section 104 and Section 105, required the Chairman to be the Chairman for the Annual Ordinary General Meeting and administrate the meeting to be in compliance with the company regulation and operate the meeting in sequence of agenda as prescribed in the invitation letter. The Chairman was invited to proceed the meeting to consider issue by order of the agenda.

The Chairman expressed thanks and proposed the meeting to consider item on the agenda as follows:

1. To consider and adopt of the minutes of the 21<sup>st</sup> Annual Ordinary General Meeting on Friday 11<sup>th</sup> April 2014

The Chairman requested the Secretary to inform the details to the meeting.

The Secretary informed the meeting that the Minutes of the 21<sup>st</sup> Annual Ordinary General Meeting convened on Friday 11<sup>th</sup> April 2014 had been publicized via the Bank's website since 24<sup>th</sup> April 2014 and had been delivered to the shareholders together with the invitation letter. With this regard, the meeting was asked for consideration.

The Chairman offered opportunity to the shareholders to raise further inquiries. The inquiries are summarized below:

Mr. Wicham Jongpakdee (Shareholders) - According to the suggestion about service system at the 21<sup>st</sup> Annual Ordinary General Meeting which the report has shown only "Expressed thanks to the shareholders for the recommendations", the shareholders recommended the Bank to add moral support message to the shareholders.

Secretary Clarified the issue to the shareholders as below;  
It was the method of recording minutes but in practice the issue had already been considered by the Bank as the shareholders mentioned.

As no attending shareholders in the meeting had objection or alteration, the Chairman proposed the meeting to consider and adopt the minutes of the 21<sup>st</sup> Annual Ordinary General Meeting on Friday 11<sup>th</sup> April 2014.

## Resolution

The meeting adopted the minutes of the 21<sup>st</sup> Annual Ordinary General Meeting convened on Friday 11<sup>th</sup> April 2014 as proposed by the Board of Directors by majority votes of the attending and voting shareholders. The details are as follows;

Vote in favor	11,661,920,860	Votes	equivalent to	99.9986%
Vote against	165,219	Votes	equivalent to	0.0014%
Vote abstentions	61,739	Votes		

## 2. To acknowledge of the Board of Directors' Annual Report

The Chairman requested the meeting to acknowledge the Annual Report for 2014 of the Board of Directors as appeared in the CD-ROM 2014 Annual Report, which has been delivered to shareholders together with the meeting invitation letter and the presentation via audio-visual media in the meeting.

The Chairman offered opportunity to the shareholders for raising further enquiries. Those are summarized below;

- Mr. Kiattisak - How about the Bank's strategy formulated by the Board of Directors?
- Cheeratheinnath  
(Shareholders) - Did the Board of Directors provide performance assessment comparing to the target for executives?
- Since the Independent Directors had to take other positions in the respective committee, whether the number of Independent Directors were adequate or not.
- Mr. Suriyaphong  
Wattanasak  
(Shareholders) - Inquired the Bank to clarify the direction of the Bank's policy and adaptation in case that the Bank got impacted by the economic conditions.
- Complained about inconvenience and tardiness of currency exchange service, especially for the Republic of the Union of Myanmar Kyat, which was not listed in the Bank currency exchange service chart.
- Mr. Pichit  
Praipanaphong  
(Shareholders) - How did the Bank handle with the upcoming NPLs?
- Mr. Chatchai Khun-ngam  
(Shareholders) - Required the reason of withdrawing agenda 5 from the meeting.
- Mr. Somchai  
Jansathirapan  
(Shareholders) - Inquired about the total amount of loan granted to government sectors. In case that the government sector's projects decelerated, how would it impact to the Bank's operation?
- Mr. Wicham  
Jongpakdee  
(Shareholders) - Since the Bank's asset ranked as number one comparing with other commercial banks, why was the Bank's profit lower than others?

## Chairman

Clarified the issues to the shareholders in conclusion as follows:

The Board of Directors' role was clearly stipulated for formulating the Bank's operational strategy under the purpose of returning utmost profit to the shareholders and making long-term stability. With this regard, the Board of Directors aspired to strengthen organization in order to be able to compete with benchmarking commercial banks. The Bank had developed its procedure of services, loan origination and fund deposit to stand at the equal level with the benchmarking commercial banks. As for operational direction of the Bank, it was divided into 3 steps namely;

Step 1 Strengthen foundations

Step 2 Elevate the Bank's efficiency to achieve the equivalent level of its competitors

Step 3 Aspire to maintain and develop staffs' competence so as to support customers' growth and wealth, lift up quality of society and environment as well as provide shareholders with the sustainable returns

According to the abovementioned plan, KPIs were clearly stipulated. The Board of Directors had monitored management's operation continually. Presently, the Bank was laying foundation which included the process of installing equipment, tools and formulating guideline for competing with the rival as well as providing suitable recruitment procedure from both internal and external organization.

As for 5 Independent Directors of the Bank, they were specialists in respective aspects and devoted to work on their responsibility.

The Chairman invited the President to clarify further details to the shareholders.

## President

Clarified the issues to shareholders in summary as below;

The Bank's strategic plan was mainly focused on the primary target and was formulated by the Board of Directors and Management. They would formulate both business and procedure aspects. Recently, the Bank had just finished its 7-year-long-term strategy which was divided into 3 periods or Three Summits. The details are as follows:

First period Strengthen Foundation

Second period Closing the Gap

Third period Become the Best Place to Work, where attracted competence and skillful personnel to work with. As the Board of Directors and Management believed that all proficient staffs were the precious asset of the organization therefore; staffs' competence would be emphasized and maintained.

## President

After the strategic plan formulation, the Board of Directors also obviously provided KPI by scattering it to the President and hand down to the Managing Directors respectively. The operations under KPI would be monitored and reported to the Committee on monthly basis. With this regard, the target in accordance with the strategic plan would be compared to KPI in order to examine their accordingly progress which would be improved and followed up monthly. Meanwhile, Managing Director of respective Groups namely; Wholesale Banking Group, Retail Banking Group, SMEs Group, Government & State Enterprise Relations Group and others must report KPI assessment to the President on daily or weekly basis depending on appropriateness and also provided both daily and weekly report that capable to be search for.

However, the performance assessments shall be divided into 2 main aspect namely:

1. Performance outcome, for instance, KPIs is dealing with the amount of profit and NPLs
2. Performance Procedure,

The Bank preferred emphasizing on assessing the performance outcome rather than the performance procedure.

As for the business strategy, when considered why the Bank had lower profit than other commercial banks, this has sprung from 2 causes namely:

1. The lost from NPLs which the Bank had to improve.
2. A low level of profit that caused by differentiation of interest rate and the Bank's cost

Thus, the Bank formulated strategic plan for solving those problems as:

1. Reduce lost from NPLs by monitoring and tracking customers closely
2. As for the issue of profit enhancing and cost reduction, the Bank's existing customers were classified into 4 groups, including the corporate customers approximately 36%; retail customers approximately 30%; SMEs customers approximately 20% and government sector customers approximately in less than 10%. With this regard, the Bank had to adjust its customer segmentation by emphasizing on the credit origination to SMEs customers in order to increase profit. Regarding the cost of deposit, the Bank focused on the deposit in current account and savings account of individual and business customers so as to reduce the Bank's cost.

Consequently, if the Bank is capable to operate as all the plans, the higher profit was expected to gain.

President

As for the question about the impact of economic conditions, Thai economic condition was mainly relied on export which caused Thai economy to be fluctuated from the fragile world economy. Accordingly; investment from government sectors especially on the mega projects were expected to increase with the purpose of boosting up economic condition. Within this year, the Bank's credit origination target was set to grow approximately 1.5 times of GDP. The Board of Directors and Management had monitored the situation closely, tried to improve the internal process to be stable and extended credit origination to SMEs business and retail customers. For major customers, the Bank gave importance to the transactions depended on bond and stock market, focused on the products and the extension of existing customer base. Additionally, the risk management procedure had been adjusted in order to mitigate lost of the future NPLs.

The Bank had launched the project of "KTB Transformation" to support abovementioned strategies. One of the operations was to improve working procedure of Retail Banking Group which included approval procedure, risk management, debt collection management, debt restructuring, market procedure and nationwide branch management. The customers' survey had been conducted in order to improve the operational procedure to be better. As for the issue of currency exchange service, the Bank would assign the team to study the improvement of procedure.

For NPL management, it was also a part of KTB transformation project, that the required the improvement in risk management procedure. As for the Retail Banking Group, the upgrading was managed by centralizing the loan approval in order to have mutual standard and strict screening which could help mitigating the lost from the future NPLs. Moreover, debt collection process and data base system, which could clearly and speedily provide the detail about NPL, were also improved.

As for the withdrawal of agenda 5, consideration and approval the adjustment of the dividend payment policy; the Board of Directors had mutually agreed that the appropriateness and balance of shareholders' returns and the Bank's sustainable and stable growth in operating business were required to receive further consideration. Currently, the dividend payment policy was clearly stated, since The dividend had been paid to the shareholders at the rate about 40 % of net profit, which was also depending on the suitable of profit, economic condition and the Bank's fund.

As for the inquiry related to the amount of loan lending to government sector, the Bank clarified that the loan for customers in government sector was not over than 10%. However, the Bank emphasized on the transaction made with the supply chain of the project related to government sector. It was regard as a partner extension of supply chain of Corporate Banking, for instance, contractor, equipment vender, carrier, etc.



The Chairman invited Ms. Kittiya, Managing Director – Financial Management Group, to clarify the issue of foreign currency exchange.

Ms. Kittiya Clarified the issue to the shareholders in summary as follows:

Todhanakasem,  
Managing Director –  
Financial  
Management

In order to decrease the problem of banknote service via the Bank's branches, amount of the banknote storehouse in the up-country provinces had been increased. As for the issue of no Myanmar Kyat banknote sold in KTB, Ms. Kittiya clarified that the Republic of the Union of Myanmar did not allow foreign commercial bank to directly open bank account in Kyat currency. Nevertheless, the Bank had made MOU with various local banks where customers could transfer fund to via ATM and KTB branches' counters without having KTB Bank account.

Mr. Sitthichok  
Bunyavanich  
(Shareholders)

- In case that there was a corruption in financial institution, whether the Bank provided any measure to prevent the employees' corruption or not.
- The PR pictures of non-performing asset in media were not as same as the actual asset in reality.
- Why was the Bank's home loan applied to MRR interest rate?
- The Bank's CSR activities should be exhibited broadly in PR promotion.
- Why did the Bank offer special condition to the debtors of Student Loan Fund who had default of debt payment?
- How many % of fund that the Bank had to repay to the Financial Institution Development Fund (FIDF)?
- Did the Bank provide its employees with the policy of selling insurance to customers?

Chairman

Clarified the issues to the shareholders as follows:

The offering of special condition as interest rate reduction to the debtors of Student Loan Fund who had default repayment was the policy of Student Loan Fund and the Bank has just operated in accordance with the policy.

The Chairman invited the President to add further details to the shareholders.

President

Clarified the issues to the shareholders as follows:

The Bank had intense risk management system which covered to the aspect of compliance and audit. Most of frauds derived from retail customers. The Bank ensured the regulatory compliance of employee and control lost or faulty by providing retail business executive team and Compliance and Legal Management Group team. Additionally, there was Internal Audit Group team who was responsible for randomly auditing the procedure and regulatory compliance again and also trying to bring any operation into electronic system with the purpose of preventing faulty caused by human error.

President

As for the issue of NPL pictures, the Bank acknowledged that there was a faulty to the picture since the asset condition must be changed according to time passed. However, the Bank would improve all those pictures to reflect reality.

As for the issue of interest rate, the President clarified the shareholders that the Bank mainly apply MLR interest rate to the business, company or SMEs customers and apply MRR rate to retail customers.

As for the issue of advertisement, the President clarified that most of the Bank advertisement would mainly focus on product and service. Presently, Brand Promotion strategy had not been conducted seriously because the Bank was improving its working procedure according to KTB Transformation project. After KTB Transformation project finished, Brand Promotion would be the next project to be launched.

Presently, every commercial bank was to regularly repay to the Financial Institution Development Fund (FIDF) in the consistent amount or approximately 0.4% of average total deposit per year

As for the issue of employees selling insurance to customer, the President clarified that the Bank's new vision as "Growing Together" shall motivate the Bank's employees to take care of customers' growth and wealth leading to Bank and customer to grow stably and permanently. The Bank's policy was clearly stated that when the employees would offer any products to the customer, they must be responsible and sure that such a product would be appropriate and practical to the customers.

The President invited Mr. Tanyapong, Senior Executive Vice President, to clarify more about the policy of selling insurance to the customers.

Mr. Tanyapong

Explained to the shareholders in summary as follows;

Thamavaranukupt,

As for the Bank policy on offering insurance to the customer, it was specified that the employee must concern on Needs Based Selling which depended on customers' need.

Senior Executive

Vice President

As for the issue of performance assessment, the Bank focused on the total amount of fees which had many types thus; the way to increase fee income were not limited to gain from insurance fee but the Bank could make more income from other products.

Mr. Basant Kumar

- Express appreciation to the Board of Directors' performance and raised inquiry about the appropriate amount of the Bank's loan to deposit ratio.

Dugar (Shareholders)

President

Clarified the issue to the shareholders as below;

The appropriate proportion of loan to deposit ratio was around 92-97 %. Presently, loan to deposit ratio of the Bank was approximately 80% because a large amount of government sector deposits had just deposited with the Bank in first 3 month.

Mr. Somkuan Tierasaranon (Shareholders) - Raised the inquiry to Mr. Kittipong Kittayarak, Chairman of the Audit Committee, in summary as below;

Requested the Bank to review the Bank's asset with no obvious requirement, for instance, no minimum price stated, non-compliance of asset's appraisal price and collateral deposit, no price tag shown at the Bank. Furthermore, Mr. Somkuan also raised the issue of 61-rai land sale on Pibulsongkram Road which had been deposited Baht 20,000 as collateral but the Bank had not done anything to it by informing that such a land would be constructed as training center.

Mr. Kittipong Kittayarak Expressed gratitude to the shareholders and clarified the issue in summary as follows;

Chairman of the Audit Committee All Directors especially Audit Committee who are Independent Director gave importance in performing duty with transparency and accountability. In case that there was clear information about any occurrence, Audit Committee would acknowledge it for further consideration.

Chairman of Audit Committee invited Mr. Parinya who was Senior Executive Vice President and responsible for this matter to explain the detail to the shareholders.

Mr. Parinya Patanaphakdee Senior Executive Vice President Clarified the shareholders in summary as follows;

Presently, the Bank had noticeably stipulated regulations and guidelines for selling assets. The guidelines were namely the deposit for guarantee, for instance, the case of selling asset with value over than Baht 10 million, 5% of deposit was required to place and for the pricing, pricing would be considered from cost and market price. As for the selling of 61-rai land on Piboonsongkram Road, the Bank was asking for a permission from the Bank of Thailand to implement such a land as the Bank's office which was on the process of designing.

Chairman Assigned Audit Committee to consider such a matter.

Dr. Sunis Junkarat (Shareholders) - If anyone found corruption arisen, please informed it to the Board. After the investigation made by the Board, such a matter would be informed in the shareholders meeting.

As no attending shareholders in the meeting had objection or alteration, the Chairman proposed the meeting to acknowledge the Annual Report of the Board of Directors as details proposed to the meeting above.

#### Resolution

The meeting acknowledged the Annual Report of the Board of Directors as proposed by the Board of Directors.

3. To consider and approve the Financial Statement for the year ending 31<sup>st</sup> December 2014

The Chairman requested the meeting to consider and approve the Financial Statement for the Year 2014 ending 31<sup>st</sup> December 2014, which was considered by Audit Committee and examined by Office of the Auditor General of Thailand who was the Bank's auditor.

The Chairman invited the Secretary to inform shareholders the importance detail about Financial Statement.

The Secretary informed the meeting that the details of Financial Statement for the Year 2014 ending 31<sup>st</sup> December 2014 were in CD-ROM, Annual Report 2014 and Financial Summary from Annual Report 2014 which were delivered to the shareholders together with the invitation letter.

As at 2014, the Bank's asset amounted to approximately Baht 2,727,150.39 million increasing from 2013 by Baht 232,857.50 million; and liabilities amounted to approximately Baht 2,503,297.72 million, increasing from 2013 by Baht 211,179.63 million. Meanwhile, equity amounted to approximately Baht 223,852.67 million, increasing from 2013 by Baht 21,677.87 million. The Bank's net profit after tax amounted to approximately Baht 31,855.31 million, increasing from 2014 by Baht 315.39 million. In this regard, the Financial Statement for fiscal year 2014, as at 31<sup>st</sup> December 2014 had already been audited by the Office of the Auditor General of Thailand.

Chairman proposed opportunity to the shareholders for inquiring any question. The questions are summarized as follows;

Mr. Wicharn Jongpakdee  
(Shareholders) - According to Public Limited Companies Act, B.E.2535, Section 110, Paragraph 2, why did the Bank call "Statement of Financial Position" instead of "Balance Sheet"?

Mr. Kiattisak Cheeratheinnath  
(Shareholders) - Did the Bank adjust entries during the past year? If yes, how many times? How much? And who required doing so?

(Shareholders) - Which accounting policy had been changed during the past year? Especially the policy of depreciation, revenue recognition and expense deduction.

- When was the latest improvement of internal control system appeared in the Annual Report and referred to COSO system? With the presently complex fraud which made through electronic system, did the Bank provide internal control related to electronic banking especially for the credit card and money transfer?

- Audit Committee should not be responsible for reviewing financial statement but Independent Directors or auditor should.

Chairman invited Mr. Kittipong, Chairman of the Audit Committee to clarify the issue to the shareholders.

Mr. Kittipong Kittayarak, Chairman of the Audit Committee Clarified shareholders in summary as follows;  
Duties of the Audit Committee were to ensure management to develop internal control efficiently and to work with Risk Management Committee and Compliance Committee. As for preventive operation, Audit Committee extremely highlighted on internal control and joined hand with Management and auditor in reviewing financial statement so as to gain information in various aspects which could be advantage for considering financial statement's accuracy and ensuring benefits of the Bank and shareholders.

Chairman invited Ms. Kittiya, Managing Director – Financial Management to explain about the accounting standard.

Ms. Kittiya Todhanakasem, Managing Director – Financial Management Group Clarified the issue to the shareholders in summary as follows;  
The calling of “Statement of Financial Position” instead of “Balance Sheet” was in compliance with a new 2014 accounting standard. The Bank had no significant adjusting entries but subsidiaries' had.  
As in 2014, the Bank had changed its accounting policy according to the new accounting standard. Employees' benefit project as “Mutual Separation Program (MSP)” impacted to the 2013 Consolidated and Separate Financial Statements. Previously, the profit and loss was realized by the estimation of calculation by actuary principal to clarify the income and operational cost. However, at the present, the profit and loss was calculated directly from the net profit, therefore; it was shown in the accumulated profit. Thus, in order to be able to compare financial statement, the Bank adjusted entries in 2013 to be in accordance with 2014's and the Bank would adjust accounting standard further.

Ms. Kittiya, Managing Director – Financial Management Group, invited Mr. Pannipa, Senior Executive Vice President, to clarify about COSO system.

Mr. Pannipa Apichatabutra, Senior Executive Vice President Clarified the issue to the shareholders in summary as below;  
The Bank implemented COSO standard as a tool for good corporate governance. With this regard, the Bank concerned and emphasized on the best internal control. All employees would be instilled the awareness on business operation, corporate governance, risk management and internal control. Such awareness must be worked together by focusing on having well standard and developing continually.

Chairman invited Mr. Vites, Senior Executive Vice President, to clarify about the electronic fraud.

Mr. Vites Techangam, Senior Executive Vice President Clarified the issue to the shareholders in summary as below;  
Fraud had been separated into 3 parts namely; Firstly, the Bank's Internal System, the system was developed to be electronically in order to be able to examine

Mr. Vites Techangam, Senior Executive Vice President speedily and inform related person to recheck again; Secondly, External System, this part was provided for customer or user and had 2 main duties including (1) formulating regulation for accessing the service and technique for using various tools, for instance, user verification and (2) mitigating risk by limiting amount of fund for each transaction, replacing magnetic strip in card by microchip with the purpose of preventing ATM skimming; Thirdly, the prevention of accessing the Bank's service, the Bank provided prevention system which was monitored constantly and developed continually.

Ms. Thara Cholpranee (Shareholders) - The Bank had 6 subsidiaries and 5 joint ventures. As for the consideration approving financial statement of parent company, the financial statement had 2 parts which were Consolidated and Separate Financial Statements. The Consolidated Financial Statement was the aggregation between separate financial statement and subsidiaries' and joint ventures' financial statement. The aggregation was able to be done in case that subsidiaries' and joint ventures' financial statement had been approved by the shareholders' meeting. Presently, some of the Bank's joint ventures had not arranged the shareholders' meeting so they could not consider approving financial statement. Therefore, the Bank was not confident whether to include the aggregation of the subsidiaries' and joint ventures' financial statement that had approved by the auditor but not by the shareholders' meeting was considered as legal practice or not.

Ms. Wanna Tonvongval (Shareholders) - Suggested Chairman to manage the meeting effectively.

Mr. Wicham Jongpakdee (Shareholders) - Whether the Bank label "Statement of Financial Position" instead of "Balance Sheet" according to a new 2014 accounting standard would be incompatible with the Public Limited Companies Act, B.E.2535, Section 110 or not.

Mr. Suriyaphong Wattanasak (Shareholders) - Raised inquiry about inconsistency of information in the financial summary from Annual Report 2014 page 20 which the Bank stated that NPLs decreased from 2013 but on page 21 stated that reserve for loan in respective level increased from 2013.

Chairman invited Ms. Kittiya, Managing Director – Financial Management Group to clarify about the financial statement.

Ms. Kittiya

Clarified the issue to the shareholders in summary as below;

Todhanakasem,  
Managing Director –  
Financial  
Management Group

As for the calling of “Statement of Financial Position” instead of “Balance Sheet,” the Bank clarified that since the Bank was a commercial bank under the supervision of the Bank of Thailand (BOT) which required the Bank’s financial statement to be in accordance with accounting standard, the Bank had operated in compliance with the requirement specified by BOT. As for the issue of the Public Limited Companies Act, B.E.2535, the Bank would acknowledge it for further consideration.

As for the question about financial summary from Annual Report 2014 on page 20-21, the Bank clarified that the information on page 20 was NPLs in 2013 comparing with 2014 and shown that in 2014 the Bank’s NPLs decreased from 2013. As for the information on page 21, it was a detail of reserve for loan in respective level which the reserve would be added more each year in order to prevent uncertainty in the future according to prudent regulation. Thus, it was considered good that NPLs decreased while reserve increased.

For the actual practice, the Bank used financial statement of its subsidiaries and associated companies that had already been approved by auditor. To complete the legal process, after the Meeting adopted the proposed financial statement the Bank also delivered it to the Ministry of Commerce.

Ms. Thara Cholpranee  
(Shareholders)

- Shareholders had the right and authority to consider approving financial statement thus; the financial statement approved by auditor or delivered to the Ministry of Commerce would not be regarded as approved. It was just an acknowledgement that the financial statement had already been conducted but it was not accurate until it was considered and approved in the Meeting by the shareholders.

The Secretary invited legal consultant of KTB LAW Co., Ltd. to clarify the issue to the shareholders.

KTB LAW Co., Ltd.

Clarified the issue to the shareholders as follows;

As for the issue of financial statement consideration of subsidiaries and joint ventures, review of financial statement was required to be in compliance with the accounting standard which was regarded as law. In actual practice, the Bank had reviewed and approved the financial statement as one of the agenda of Annual Ordinary General Meeting and the Office of the Auditor General of Thailand had agreed that it was done in accordance with accounting standard as well as in compliance with legal regulation. The subsidiaries’ and joint ventures’ had done this also. However, in case that the financial statement was misleading or incorrect, it would be able to be correct in compliance with the accounting standard. As for the issue of current accounting standard, it was regarded as law which could be bought as reference when the auditor approved the financial statement in accordance with accounting standard.

Secretary

Clarified the issue to the shareholders as follows;

As the Bank label as “Balance Sheet” was in accordance with Public Company Limited Act B.E.2535 (1992) and the changing to call the “Statement of Financial Position” was in accordance with the Financial Institution Act. Since the Bank was a commercial bank, the Bank must be in compliance with the Section 66 of Financial Institution Act stating that “A financial institution shall prepare its accounts to state the actual operating performance and financial condition”

Chairman

Notice of the shareholders would be bought for considering in the next financial statement consideration.

As no attending shareholders in the meeting had objection or alteration, the Chairman proposed the meeting to consider and approve the Financial Statement for the Year 2014 ending 31<sup>st</sup> December 2014 as presented to the meeting above.

Resolution

The Meeting approved the Financial Statement for the Year 2014 ending 31<sup>st</sup> December 2014 as submitted by the Board of Directors by majority votes of the attending and voting shareholders. The details are as follows;

Vote in favor	11,644,492,563	Votes	equivalent to	99.9994%
Vote against	68,225	Votes	equivalent to	0.0006%
Vote abstentions	19,365,240	Votes		

4. To consider and approve of appropriation of the 2014 and dividend payment

The Chairman requested the Secretary to inform the details to the Meeting.

The Meeting was informed that 2014 net profit appropriation and dividends payment were as details in the meeting notice already delivered to the shareholders. The details are summarized as below;

The Bank earned net profit for 2014 amounting to Baht 31,855.31 million. As in 2014, the Bank did not set the legal reserve since it was completely in full amount required by law and the Bank’s Article of Association. In this regard, the Board of Director deemed it appropriate to provide dividends payment from 2014 net profit to the shareholders as Baht 1.0545 per preferred share and Baht 0.90 per ordinary share.

	2014
Net profit	Baht 31,855.31 million
as Preferred Shares Dividend (5,500,000 shares)	Baht 5.80 million (Baht 1.0545 per share)
as Ordinary Shares Dividend (13,976,061,250 shares)	Baht 12,578.46 million (Baht 0.90 per share)
Profit Balance Carried Forward	Baht 19,271.05 million
Dividend / Net Profit	39.50 %



The dividends are paid from accumulated profit paying income tax at the rate of 30%. Natural person shareholders were able to request dividend tax credit by crediting tax in amount equal to 3/7 of dividends. The Bank has gathered the Record Date on which shareholders have the right to receive dividend on Thursday 23<sup>rd</sup> April 2015 and fixed the share registration book closing date on Friday 24<sup>th</sup> April 2015 under the Section 225 of the Securities and Exchange Act B.E. 2535 (1992) and its amendment. The dividend payment shall be made on Friday 8<sup>th</sup> May 2015.

In this connection, dividend per net profit accounted for 39.50% in compliance with the prescribed dividends payment policy of the Bank.

Chairman proposed opportunity to the shareholders for inquiring any question. The questions are summarized as follows;

Mr. Pruektanun - Inquired about Price-Earnings Ratio (P/E Ratio) which was not stated in the Annual  
Sirwonglieng (Proxy) Report.

Chairman invited Ms. Kittiya, Managing Director – Financial Management Group to clarify the issue to the shareholders.

Ms. Kittiya Clarified the issue to the shareholders in summary as follow;  
Todhanakasem,  
Managing Director – Since the Bank was a commercial bank that operated the service of deposit and  
Financial Management loan, business competency would be considered from BIS ratio which the Bank had  
Group maintained tier 1 capital amounting to 10.91% and all other fund amounting to 14.85%. These amounts were higher than BOT's requirement of 12%. With this regard, the Bank competency was considered high for extending loan and accommodating further investment.

As no attending shareholders in the meeting had objection or alteration, the Chairman proposed the meeting to consider and approve the proposed 2014 net profit appropriation and dividends payment as presented to the meeting above.

#### Resolution

The meeting approved the proposed appropriation of net profit for the 2014 and the dividend payment as submitted by the Board of Directors. Preferred share and ordinary share dividend were paid at the rate of Baht 1.0545 and Baht 0.90 per share respectively. The Bank has gathered the Record Date on which shareholders have the right to receive dividend on Thursday 23<sup>rd</sup> April 2015 and fixed the share registration book closing date on Friday 24<sup>th</sup> April 2015 under the Section 225 of the Securities and Exchange Act B.E. 2535 (1992) and its amendment. The dividend payment shall be made on Friday 8<sup>th</sup> May 2015. With the majority votes of the attending and voting shareholders, the details are as follows;

Vote in favor	11,657,568,024	Votes	equivalent to	99.9982%
Vote against	213,925	Votes	equivalent to	0.0018%
Vote abstentions	6,147,304	Votes		

5. To consider and approve the adjustment of the dividend policy

The Board of Director approved withdrawing agenda 5 from the meeting. The Secretary had already informed the detail to the meeting.

6. To consider and approve the Director's remuneration

Chairman requested the meeting to consider approving Director's remuneration which had already been considered by the Nominating and Remuneration Committee. Mr. Nontigorn Kanchanachitra, Chairman of the Nominating and Remuneration Committee, was invited to report the key detail to the Meeting.

Mr. Nontigorn Kanchanachitra, Chairman of the Nominating and Remuneration Committee, informed the meeting that the Directors' remuneration for 2015 and Directors' gratuity for 2014 had already been considered by the Nominating and Remuneration Committee. The details were as in the invitation letter delivered to the shareholders. The Committees consisted of the Board of Directors, the Board of Executive Directors, the Audit Committee, the Nominating & Remuneration Committee, the Corporate Governance & Social Responsibility Committee, the Risk Management Committee and the Regulatory Compliance Committee or other committee required by the Bank of Thailand or the Board of Directors of the Bank as they deem appropriate.

Director's remuneration consisted of Director's remuneration for 2015 and Director's gratuity for 2014 approved by the Board of Directors as proposed by the Nominating and Remuneration Committee. The Meeting was requested to consider and approve the following details;

1. Criteria of Director's remuneration for 2015 are as follows;
  - 1) Remuneration in the capacity as Director: Baht 70,000 / month
  - 2) Ex-officio remuneration paid to Directors holding their office as follows;
    - 2.1) Chairman of the Board: Baht 130,000 / month
    - 2.2) Vice Chairman: Baht 30,000 / month
    - 2.3) Chairman of respective committees: Baht 30,000 / month each namely;
      - Chairman of the Board of Executive Directors
      - Chairman of the Audit Committee
      - Chairman of the Nominating and Remuneration Committee
      - Chairman of the Corporate Governance and Social Responsibility Committee
      - Chairman of the Risk Management Committee
      - Chairman of the Compliance Committee
  - 3) Meeting honorarium paid to the attending Director amount to Baht 30,000 / time attending the meeting.

Apart from those abovementioned remunerations, the Chairman of Relations Committee was agreed to be paid the remuneration in the rate of Baht 30,000 / time attending the meeting but not exceeding than once a month.

Abovementioned remuneration rate would be effective until otherwise specified by the Meeting

2. Director's Gratuity for 2014

The Board of Directors had played vital role in promoting policy for solving problem, making decision on significant issue to the Bank and collaborating with management. With this regard, the Bank's performance and image got improved continually reflecting from the various award presented to the Bank as shown to the shareholders via the multimedia presentation.

Henceforth, the Director's remuneration for 2014 was agreed to be paid at a level appropriate with the directors' volume of task and responsibilities as well as in line with the dividend payment rate of the group of peer commercial banks at the amount of Baht 49.32 million. However, the Director's gratuity would be considered allocating by the discretion of the Board of Directors as deemed appropriate.

Chairman proposed opportunity to the shareholders for inquiring any question. The questions are summarized as follows;

Mr. Wicham Agreed with the Director's remuneration and gratuity proposed by the Board of  
Jongpakdee Directors.  
(Shareholders)

As no attending shareholders in the meeting had objection or alteration, the Chairman proposed the meeting to consider and approve the Director's remuneration as presented to the meeting above.

**Resolution**

The Meeting approved Director's remuneration as proposed by the Board of Directors with the votes of not less than two-thirds of total votes of the attending shareholders. The details are as follows;

Vote in favor	11,443,820,100	Votes	equivalent to	98.1130%
Vote against	213,430,974	Votes	equivalent to	1.8300%
Vote abstentions	6,678,740	Votes		0.0570%

7. **To consider the election of Directors to replace those who are retiring upon completion of their terms of office**

The Chairman of the Board of Directors requested the meeting to consider electing Directors to replace those retiring upon completion of term of office. The consideration had already been made by the Nominating and Remuneration Committee. The details are as in the attachment which had already been delivered to the shareholders together with the meeting invitation.

Pursuant to Article 22 of the Bank's Articles of Association "At each ordinary general meeting, one-third of the directors must retire from office. If the number of directors cannot be divided exactly into the number corresponding to one-third, the directions must retire in the number nearest to one-third", four (4) Directors had to retire from office namely; Mr. Nontigorn Kanchanachitra, Mr. Chakkrit Parapuntakul, Mr. Poonnis Sakuntanaga and

Mr. Prasert Bunsumpun. To be in line with the principle of good corporate governance, the Chairman invited those retiring Directors to temporarily leave the meeting room during the general meeting's election of Directors to replace those completing their term of office.

Apart from those abovementioned four Directors retiring upon completion of their terms of office, in 2014 there was Director, Mr. Kallayana Vipattipumiprates, who resigned from the position on 1<sup>st</sup> December 2014. The Bank is now recruiting a qualified candidate to replace such a position.

Since Mr. Nontigorn Kanchanachitra, the Chairman of the Nominating and Remuneration Committee, was the Director retiring upon the completion of his term of office, he was not in the meeting. The Chairman invited Mr. Kittipong Kittayarak, a representative of Nominating and Remuneration Committee, to present the detail of Directors' election to the meeting.

Mr. Kittipong informed the meeting that the Public Limited Companies Act, B.E.2535 (1992), the Financial Institutions Business Act, B.E.2551 (2008), notification from the Bank of Thailand and the Regulations of the Office of the Prime Minister on policy formulation and state enterprise overseeing, B.E.2557 (2014) had required the Board of Directors by the Nominating and Remuneration Committee to conduct the election of Directors to replace retiring Directors who completed term of office. The candidate must also be approved by the Bank of Thailand and the State Enterprise Policy Committee before submitting to the Board of Directors' meeting and then to the Annual Ordinary General Meeting. In order to comply with the Principles of Good Corporate Governance for Listed Companies by the Stock Exchange of Thailand, the Bank allowed shareholders to nominate appropriate person to be elected as Director during 1<sup>st</sup> October to 31<sup>st</sup> December 2014. There was no shareholders nominated candidate for directorship.

The Nominating and Remuneration Committee, whose duty is to select and nominate person to hold the post of Director, had considered the eligible candidate based on the qualification in various aspects, for instance, micro economy; financial knowledge; law; information technology; human resource; and industrial sector and in compliance with the Bank's regulation, relevant law and regulators' requirement. With this regard, the Committee approved reelecting Mr. Nontigorn Kanchanachitra to hold the post of Director and Independent Director for a term; Mr. Chakkrit Parapuntakul and Mr. Poonnis Sakuntanaga to hold the post of Director for a term; and electing Mr. Athueck Asvanund in replacing Mr. Prasert Bunsumpun as a Director. All such persons had appropriate qualification, knowledge, competence and experience that would benefit the Bank's business operation. They performed the duty with accountability, prudence and integrity in accordance with the applicable laws, objectives and Articles of Association of the Bank as well as the resolution of the shareholders meeting. The four persons had already been approved by the State Enterprise Policy Committee, Ministry of Finance and the Bank of Thailand. The Board of Directors's opinion had been disclosed in the meeting invitation letter delivered to the shareholders.

Mr. Kittipong invited the Secretary to inform shareholders about individual voting.

The Secretary had been invited to inform the detail of individual voting to the shareholders as follows;

As for methods of voting and votes counting on this agenda item in accordance with the requirements for holding a general meeting prescribed by the Securities and Exchange Commission, votes would be counted individually as votes in favor, votes against and abstentions. All shareholders were requested to please mark in the desired box in the voting ballot in order to vote in electing the Directors individually. Upon completion of voting that covered such four persons, the meeting officers would gather the voting ballots from all shareholders at one time for good speed in votes counting. If any shareholders did not wish to hand in the voting ballots, they would be deemed as votes in favor.

The shareholders were proposed opportunity to raise any question. The summarized questions are as follows;

Mr. Unapol  
Kansapkerk  
(Shareholders)

- Expressed appreciation and thanks to the Chairman for inviting those retiring Directors to temporarily leave the meeting room during the general meeting's election

Mr. Wicharn  
Jongpakdee  
(Shareholders)

- Suggested that Directors should hold the Bank's shares in order to be stakeholder with the shareholders.

(Shareholders)

- Referred to the Public Limited Companies Act B.E. 2535 (1992), Section 69 stating that "There shall be no restrictions to prevent a shareholders to become a director", the Bank's notification of electing director on the Bank's website would not be considered dissemination. The Bank should directly deliver such a notification to the shareholders. With this regard, this issue might be brought to the court for accusing.

Mr. Kiattisak  
Cheeratheinnath  
(Shareholders)

Raised questions to Mr. Kittipong Kittayarak as a member of Nominating and Remuneration Committee. The questions are summarized as follows;

- What was the qualification of director specified by Nominating and Remuneration Committee?
- A nomination process through the Bank's website should be more obvious and proactive.
- Did the Bank clearly specify directors' qualification and provide opportunity to the member of Nominating and Remuneration Committee in freely expressing opinion about selecting director?
- Suggested that the number of Independent Director should be more than half of all directors in the committee, the definition of Independent Director should be obviously defined and term of office should not extend for many consecutive terms.

Mr. Kittipong

Expressed thank and clarified the issue to the shareholders as follows;

Kittayarak

Chairman of the Audit

Committee

Directors were a key mechanism in steering the Bank's direction to gain trustworthiness. Each committee consisted of the members with experiences and various skills which were micro economy, financial knowledge, law, information technology, human resource and industrial sector. Each of directors had accurate proficiency in respective aspect and was engrossed in operating the Bank without self interest. As for the process of electing director, the Nominating and Remuneration Committee would consider the qualification prudently and concern about the missing qualification of current members. However, the nomination process through the Bank's website had been placed emphasis on. The proposed person through the Bank's website would be considered critically by concerning on the utmost advantage that the he could make to the Bank.

Moreover, all candidates' qualification had to be considered by the regulators, namely, the State Enterprise Policy Committee; Ministry of Finance and the Bank of Thailand. After that they would be proposed to the Bank's Board of Director for consideration and then proposed to the shareholders for election. As for the issue of Independent Directors, there were five Independent Director who were truly independent. They usually consulted in order to ensure the appropriateness of stakeholders' balance. With this regard, the Bank confidently believed that it was completely provided.

The Chairman invited Secretary to clarify about the opportunity for the shareholders to nominate person to be elected as Director through the Bank's website.

Secretary

Clarified the issue to the shareholders as follows;

The opportunity for the shareholders to nominate person to be elected as Director through the Bank's website during 1<sup>st</sup> October – 31<sup>st</sup> December 2014 was in accordance with the Principles of Good Corporate Governance for Listed Companies by the Stock Exchange of Thailand, the Securities and Exchange Commission and Thai Institute of Directors Association which specified that all shareholders must be treated equally. After that the qualification would be considered by the Nominating and Remuneration Committee and approved by the Bank of Thailand and the State Enterprise Policy Committee. These were a normal procedure of the Bank.

As no attending shareholders in the meeting had objection or alteration, the Chairman required the meeting to consider the election of directors to replace those retiring upon completing terms of office as details mentioned before.

### Resolution

Approved the election of Directors as proposed by the Board of Directors for each individual person by majority votes of attending and voting shareholders as follows:

1. Elected Mr. Nontigorn Kanchanachitra to take up the office of Director and Independent Director for another term. The details are as follows;

Vote in favor	11,344,300,577	Votes	equivalent to	97.3100%
Vote against	313,055,851	Votes	equivalent to	2.6900%
Vote abstentions	6,573,586	Votes		

2. Elected Mr. Chakkrit Parapuntakul to take up the office of Director for another term. The details are as follows;

Vote in favor	11,426,959,293	Votes	equivalent to	98.0240%
Vote against	230,371,091	Votes	equivalent to	1.9760%
Vote abstentions	6,599,630	Votes		

3. Elected Mr. Poonnis Sakuntanaga to take up the office of Director for another term. The details are as follows;

Vote in favor	11,426,591,293	Votes	equivalent to	98.0200%
Vote against	230,761,791	Votes	equivalent to	1.9800%
Vote abstentions	6,576,930	Votes		

4. Elected Mr. Athueck Asvanund to take up the office of Director. The details are as follows;

Vote in favor	11,421,295,944	Votes	equivalent to	97.9750%
Vote against	236,048,516	Votes	equivalent to	2.0250%
Vote abstentions	6,585,554	Votes		

The Chairman invited the Directors temporarily leaving the meeting room to the meeting room to carry on the meeting further.

### **8. To consider the election of the Bank's auditor and fix the audit fee**

The Chairman requested the meeting to consider electing the Bank's auditor and fix the audit fee considered by the Audit Committee in accordance with the details as appeared in the meeting invitation letter delivered to the shareholders.

After that the Chairman invited Mr. Kittipong, the Chairman of the Audit Committee, to report on significant details of the matter to the shareholders.

The Chairman of the Audit Committee clarified the issues to the shareholders in summary as follows:

Under the Public Limited Companies Act and the Bank's Articles of Association Article 45(5), it was stipulated that the general meeting shall elect the auditor and fix the audit fee. In order to comply with the organic law on the State audit, the Bank shall be audited by the Office of the Auditor General of Thailand. Therefore, it was proposed the Office of the Auditor General of Thailand for continuing to be the Bank's auditor and receiving the audit fee for the year 2015 as the following details: financial statement audit fee for four times of Baht 4,600,000.00 and non-audit fee of Baht 1,300,000.00, totaling in the amount of Baht 5,900,000.00, excluding overtime allowance, branch audit expenses and other audit expenses in compliance with regulations applicable to the Bank. Such audit fee had already been approved by the Audit Committee. Nevertheless, the Office of the Auditor General of Thailand had always been the Bank and its subsidiaries' auditor without any relationship and interest in the company, subsidiaries, executives, major shareholders or any person related thereto. The Bank's associated companies were not state enterprises. Therefore, the Office of the Auditor General of Thailand had not been their auditor.

The Chairman provided an opportunity for the shareholders to ask questions. The shareholders asked the question in summary as follows:

Mr. Wicharn - Agreed with the proposed agenda by the Board

Jongpakdee

(Shareholders)

As no attending shareholders in the meeting had objection or alternation, the Chairman required the meeting to consider electing the auditor and fixing the audit fee as the details proposed to the meeting before.

#### Resolution

Approved the election of the Office of the Auditor General of Thailand to be the Bank's auditor by receiving the audit fee for 2015 in the amount of Baht 5,900,000.00 as proposed by the Board of Directors with majority votes of the attending and voting shareholders as the following details:

Vote in favor	11,267,944,464	Votes	equivalent to	97.4400%
Vote against	296,584,635	Votes	equivalent to	2.5600%
Vote abstentions	99,402,915	Votes		

#### 9. Other businesses

The Board of Directors did not have any other business to propose to the meeting for consideration.

However, certain shareholders presented their comments on and recommendations for the Bank's business operation as summarized below:

Mr. Wicharn - Requested to record in the minutes that he, as a shareholders, reserved the

Jongpakdee rights to file a lawsuit to the court for the election of four directors in this time

(Shareholders) because it would violate the Public Limited Company Act B.E. 2535, Section 69.



Secretary

Clarified the issue to the shareholders and requested to record in the minutes as follows:

The Bank had no any restrictions to prevent a shareholder to become a director.

When the shareholders nominated candidates for election as directors, they would be considered by the Nominating and Remuneration committee. The qualified candidates would be proposed to the Bank of Thailand for considering their qualifications and the State Enterprise Policy committee in accordance with the procedures. However, the Bank has no any regulations or rules to limit shareholders' right to nominate the qualified candidates for election as directors via the Bank's website.

Chairman

Further clarified the issue to the shareholders in summary as follows:

To publish such issue on the website, the Bank operated in accordance with the listed companies' standard to provide an opportunity for the shareholders to nominate the qualified candidates for election as directors.

Mr. Pruetanun

Sriwongleang (Proxy)

- Recommended that the Bank should provide other channel besides the website for nominating the candidates, namely sending the documents to the shareholders.
- Requested to install KTB Intelligence Queue machines at every branch.
- Recommended the Bank to publicize advantage and benefits of the Bank's innovations to customers and users, for example:
  - KTB Intelligence Queue machines
  - No transaction slip
- Recommended the Bank to improve the quality of the cards, especially microchip should be used in the cards.
- Requested that in case of fee change, the Bank should publicize to customers in advance

The Chairman invited Mr. Tanyapong, Senior Executive Vice President, to clarify the issues to the shareholders

Mr. Tanyapong

Clarified the issue to the shareholders in summary as follows:

Thamavaranukupt

Senior Executive Vice  
President

The Bank began to experiment the system of the "No Transaction Slip" Project. Presently, the system had not completed. It was only the pilot project. Therefore, the project was not publicized.

In case of any service or condition change, the Bank provided an important to and is aware of all aspects, for example regulations and publicization and informed customers in advance in accordance with the applicable terms. In some case, the Bank informed users in advance, more than the period as defined in law.

Mr. Tanyapong invited Dr. Vites, Senior Executive Vice President, clarified the issue of KTB Intelligence Queue machines.

Dr. Vites Techangam Clarified the issue to the shareholders in summary as follows:

Senior Executive Vice President The Bank was informed the problem and was improving the quality of the cards. In addition, the Bank was informed the problem of using KTB Intelligence Queue machines. Presently, the Bank developed the machines' program into version II that was convenient for make many transactions. But it affected delays. This problem was being solved.

Ms. Krittiga Pathomkasikul - Praised the Bank that participated in the Anti-Corruption Project and inquired whether the Bank expanded this project to counterparties or not.

Representative of members of the shareholders's Right Protection Voluntary Group

The chairman invited Mr. Suchart, First Executive Vice President, clarified the issue to the shareholders.

Mr. Suchart Dejittirut First Executive Vice President Thanked Representative of members of the shareholder's Right Protection Voluntary Group, Thai Investor Association and clarified that the Bank was in the process of the Anti-Corruption Project as recommend.

Mr. Kittipong Kittayarak Chairman of the Audit Committee Further clarified the issue to the shareholders in summary as follows: The Bank's participation in the Anti-Corruption Project was just the beginning. The committee gave an important to it and had a policy to communicate to staff members and employees in all levels and further develop anti-corruption. Presently, the management unit had been making a procedure to propose the committee.

As no shareholders raised further questions on any issue and there were no additional item on the agenda, the Chairman expressed thanks to all shareholders for their time to attend the meeting today and also the shareholders participating as witnesses in votes counting whereof and declared the meeting closed.

**The meeting was adjourned at 18.15 hours.**

Chairman of the Board of Directors  
(Mr. Areepong Bhoocha-oom)

Corporate Secretary  
(Mr. Parinya Patanaphakdee)