

Minutes of the 24<sup>th</sup> Annual Ordinary General Meeting

Krung Thai Bank PCL

Friday 28<sup>th</sup> April 2017

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

---

The meeting was opened at 13.00 hours.

Dr. Somchai Sujjapongse, Chairman of the Board of Directors, invited shareholders, Directors, Executives and participants of the 24<sup>th</sup> Annual Ordinary General Meeting to pay homage in remembrance of His Majesty King Bhumibol Adulyadej and to honor the King Maha Vajiralongkorn Bodindradebayavarangkun.

Dr. Somchai Sujjapongse, 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. For this meeting, 1,511 shareholders were attending the meeting in person and 1,936 proxies were representing shareholders totaling of 3,447 shareholders, building up a total 10,927,377,580 shares or 78.16% of the total sold shares which was not less than one-third of the total sold shares thus constituting the quorum as prescribed by the Bank's Articles of Association and the 24<sup>th</sup> Annual Ordinary General Meeting was declared to open.

During the meeting opened and closed by the Chairman, additional 559 shareholders were attending the meeting in person totaling of 2,070 shareholders and 310 proxies were representing shareholders totaling of 2,246 shareholders, grand total were 4,316 shareholders, building up the total 11,077,403,033 shares or 79.23%.

The Chairman of the Meeting introduced directors individually. All of the Board of Directors attended in the Meeting. The Directors are as follows:

Directors:

1. Dr. Somchai Sujjapongse Chairman of the Board of Directors
2. Mr. Krairit Euchukanonchai Vice Chairman of the Board of Directors, Chairman of the Board of Executive Directors and Chairman of the Risk Management Committee
3. Dr. Kittipong Kittayarak Independent Director, Chairman of Audit Committee and Member of the Compliance Committee
4. Mr. Nontigorn Kanchanachitra Independent Director, Chairman of the Nominating and Remuneration Committee and Member of the Corporate Governance and Social Responsibility Committee
5. Mr. Supant Mongkolsuthree Director, Chairman of the Corporate Governance and Social Responsibility Committee and Member of Risk Management Committee
6. Mr. Distat Hotrakitya Chairman of the Independent Director, Chairman of the Compliance Committee and Member of the Nominating and Remuneration Committee
7. General Tiencha Rubporn Independent Director, Member of the Audit Committee and Member of the Compliance Committee
8. Mr. Poonnis Sakuntanaga Director, Executive Director and Member of the Risk Management Committee
9. Mr. Somchai Boonnamsiri Independent Director, Member of the Audit Committee, Member of the Nominating and Remuneration Committee and Member of the Risk Management Committee
10. Mr. Thanwa Laohasiriwong Independent Director, Member of the Audit Committee and Member of the Risk Management Committee
11. Dr. Kulaya Tantitemit Director, Executive Director and Member of the Corporate Governance and Social Responsibility Committee
12. Mr. Payong Srivanich President, Executive Director and Member of the Risk Management Committee

Mr. Suchart Dejittirut, Corporate Secretary, acted as the Secretary of the Meeting. The Bank's Managing Directors and Acting Managing Director, Financial Management Group, Ms. Walairat Lertumpornpisal, attended the Meeting.

Then, the Chairman introduced

Auditors from the Office of the Auditor General of Thailand:

1. Ms. Ratchanee Cholnakijkul
2. Ms. Nantida Buayaem
3. Ms. Venus Wathanasak

Representative from the Bank of Thailand:

Ms. Woramon Petchkaw

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

Ms. Krittika 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:

1. 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. As for the foreign shareholders

wishing to raise questions/queries or express opinions would be required to write those into the paper and hand it to the Bank staff in advance so as that Directors and Executives answer the question in Thai in order to inform other shareholders in the meeting. The answer in English version will be provided by the Bank staff.

2. The voting is base on the principle of one share equals one vote for both preferred and ordinary shares. 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 for 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 base 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, abstention votes and voided ballot.

After the process and procedure of making inquiry or recommendation and counting vote had already been informed, Mr. Monsit Samai, 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. Ms. Umawadee Ratanaudom would comment about the related law. Concurrently, the meeting was invited one shareholder to act as the representatives of the meeting in witnessing the vote counting, Mr. Sarawut Jomkiew 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 15<sup>th</sup> June 2017 and 16<sup>th</sup> June 2017. The interested shareholders who wish to visit the Training Center would be capable to register for such 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 31<sup>st</sup> May 2017. The Bank officers would coordinately contact all the selected shareholders to inform for further details of the trip.

According to the Stock Exchange of Thailand notification about the rights of shareholders prior to the 24<sup>th</sup> Annual Ordinary General Meeting (2017) dated on 21<sup>st</sup> September 2016, the Bank had offered the opportunity to the shareholders to propose any agenda deemed appropriate for inclusion on the agenda item 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 2016. It appeared that there were no any agenda item proposed and no candidate nominated by shareholders. With this regard, the Bank has publicized documents of the agenda items at the 24<sup>th</sup> Annual Ordinary General Meeting via the Bank's website since 27<sup>th</sup> March 2017.

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 item 1 to agenda item 7, including the agenda item 8: To consider 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 manage the meeting to consider issue by order of the agenda.

The Chairman expressed thanks and proposed the Meeting to consider items on the agenda as follows:

**Item 1**      **To consider and adopt the minutes of the 23<sup>rd</sup> Annual Ordinary General Meeting on Friday 29<sup>th</sup> April 2016**

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

The Secretary informed the Meeting that the Minutes of the 23<sup>rd</sup> Annual Ordinary General Meeting convened on Friday 29<sup>th</sup> April 2016 had been publicized via the Bank's website since 13<sup>th</sup> May 2016 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.

As no attending shareholders in the Meeting raised any inquiry, the Chairman proposed the meeting to consider and adopt the minutes of the 23<sup>rd</sup> Annual Ordinary General Meeting on Friday 29<sup>th</sup> April 2016.

**Resolution**

The meeting adopted the minutes of the 23<sup>rd</sup> Annual Ordinary General Meeting convened on Friday 29<sup>th</sup> April 2016 as proposed by the Board of Directors by majority votes of the attending and voting shareholders. The details are as follows:

Vote in favor	11,035,362,498	Votes	equivalent to	99.999837
Vote against	18,000	Votes	equivalent to	0.000163
Vote abstentions	0	Votes		
Voided ballot	0	Votes		

**Item 2**      **To acknowledge of the Board of Directors' Annual Report**

The Chairman requested the meeting to acknowledge the Annual Report for 2016 of the Board of Directors as appeared in the Annual Report, Financial and Sustainability Report which have been delivered to shareholders together with the meeting invitation letter and the presentation via audio-visual media in the meeting. As for the past, Management Discussion and Analysis has been disseminated in order to explain shareholders about causes and factors impacting on the Bank's financial statement and operation. Secretary was invited to present important information in summary to the meeting.

Secretary informed the meeting that even economic and industrial condition in 2016 got improved continually from previous year, the recovery still limited to some industries. However, the Bank was able to manage risk effectively reflecting from the operating profit increasing from previous year.

- Compliance with the Bank's business operation
  - The Bank emphasized on business growth by operating the following key aspects:
    - Digital Banking;
    - Data Analytics, which increased management and business data analytic competence;
    - Expanding loan in a group of SMEs and supply chain customer;
    - Supporting infrastructure project of government and
    - increasing non-interest income
  - The Bank strengthened business's rigidity by operating the following key aspects:
    - In the aspect of process, working procedures had been improved;
    - In the aspect of risk management, the processes of risk management and credit policy have been improved to be more obvious and flexible for launching various products;
    - In the aspect of human resources, the performance appraisal system has been improved by planning, monitoring and assessing in compliance with the Bank's business operation.
    - In the aspect of information technology, IT system stability was focused.
- The details of financial status will be presented in the agenda item of To consider and approve of the Financial Statement for the year ending 31<sup>st</sup> December 2016
- Moreover, With the Bank's participation to Thailand's Private Sector Collective Action Coalition Against Corruption, the Board of Directors has taken into account on such a matter. As in 2016, the important operations in summary are as follows:

○ Revising the Bank's Code of Conduct by adhering to good corporate governance principle;

○ Stipulating Anti Bribery and Corruption Policy based on all types of anti corruption or bribery and corruption considered as illegal. Additionally, the Bank increased channel for whistle blowing according to the Whistle Blowing Policy. Whistle blowing can be informed by sending email to Chairman of the Board of Directors, [whistletruth@ktb.co.th](mailto:whistletruth@ktb.co.th) and [whistle@ktb.co.th](mailto:whistle@ktb.co.th), or call 0-2208-3857. The Bank offered opportunity to Directors, executives and staff member at all levels, the Bank's employees, staff member of its financial business group, stakeholders, customers, outsiders and shareholders to report any wrongdoing regarding corruption, offence, breach of the Bank's regulation and regulators' regulations. Such a policy provided the process of receiving whistle blowing and measure to protect and give fairness to the whistle blower

○ In practical terms, the Bank improved regulations, work manual and public relations media, provided Bank's staff trainings as well as conducted the Master Plan in order to comply with Anti-Corruption and Anti-Bribery Policy seriously. Moreover, the Bank imposed disciplinary action for a staff member who committed a breach of the policy and provided personnel protection policy for a staff member who rejected bribes. Although such actions caused loss of business opportunities, the Bank would adhere to good corporate governance

Further, the Chairman stated that all committees gave the highest importance to good corporate governance, focusing on zero tolerance policy. The Bank is a financial institution, therefore, it could not accept corruption arising within the organization. If anyone had information, the Bank would investigate it fairly and strictly. Additionally, on behalf of the committee, the Chairman expressed his gratitude to the shareholders who gave continuous support for the Bank's business.

The shareholders raised queries which are summarized below:

- |                      |  |
|----------------------|--|
| <u>Mr. Somkuan</u>   | 1. The shareholder would like to know the information about the increase   |
| <u>Tearasaranon</u>  | of non-performing loans (NPLs) in Q1 in comparison with companies  |
| <u>(shareholder)</u> | within the same business sector and about the Bank's NPL management.   |
|                      | 2. The shareholder would like to know about the repayment progress of the company in real estate development industry. |



- Mr. Supoj  
Euachailertkul  
(shareholder)
1. The shareholder supported the Bank's corporate governance activities and asked the Bank to place emphasis on the complaint center and whistleblowers.
  2. The shareholder suggested the Bank to find a new venue for the Annual General Meeting and a venue with convenient location or in close proximity to BTS/MRT station should be considered.
  3. The shareholder enquired about the repayment progress of the company in steel industry.
- President
- Regarding NPLs, the President explained that the Bank's NPLs in Q1 increased due to SME customers. Comparing to commercial banks in the same business sector which managed NPLs by selling and writing off NPLs, the Bank primary method was to negotiate debt restructuring. At the moment, the Bank was studying and considering the NPL sale method but as the Bank was a state-enterprise, there were rules and regulations that needed to be considered carefully before selling NPLs.
- Head of Credit  
Restructuring and  
Asset Management
- The Head of Credit Restructuring and Asset Management informed the shareholders about the repayment progress of the Bank's debtors.
1. The company in real estate development industry in question is not a direct debtor of the Bank but a liable debtor by the Supreme Court of Justice's Criminal Decision for Persons Holding Political Positions as a company within the conglomerate which originated the case. For this loan, the Bank had set aside loan loss provision in full.
  2. The company in the steel industry in question had already devised rehabilitation plan and was following the plan at the moment.
- Chairman
- The Chairman thanked the shareholder for the suggestion regarding the venue of the meeting. As for the shareholder who asked the Bank to examine asset sale, please submit the original documents directly to the Chairman.
- Head of Compliance  
& Legal  
Management Group
- The Head of Compliance & Legal Management Group informed the shareholders that as for corporate governance, the Bank had Whistle Blowing Team which had been set up specifically for this purpose and

channels for potential whistle blowers to report to were provided. After the Whistle Blowing Team received relating documents from the Chairman of the Board of Directors, the Team would arrange documentation to be proposed to the Board of Directors. If the complaint is related to the management, it will be considered at a meeting of the Board of Directors which is not attended by the President to counterbalance the power in bank management. The Bank had a clear guideline for protecting whistle blowers and persons providing information to the Bank.

Mr. Wijarn

The shareholder praised the Chairman and asked about information on page 267 of the Annual Report regarding the repayment of a debtor prosecuted by the Supreme Court's Criminal Division for Holders of Political Positions.

Jongphakdee  
(shareholder)

Mr. Somsak

1. The shareholder praised the Bank's operating result.

Kaensuwan

2. The shareholder praised the Annual Report and enquired information about KTB e-LBD project, in which the Bank collaborated with Kaset Thai International Sugar Corporation Public Company Limited to allow sugar cane growers to cash their sugar cane payment and deposit through electronic system instead of traditional checks.

(shareholder)

3. The shareholders asked how the Bank generated revenue from traffic ticket fine payment project.

Head of Credit

The Head of Credit Restructuring and Asset Management Group stated that the repayment was under the process of legal execution by the Supreme Court's Criminal Division for Holders of Political Positions. As for the assets relating to the civil case, the case was being prosecuted by the Civil Court. Everything was being processed.

Restructuring and

Asset Management

Group

Head of Global

The summary of the Head of Global Transaction Banking Group's answer to the shareholder's question is as follows:

Transaction

Banking Group

KTB e-LBD Project

Originally, a sugar cane grower contacted a buyer before starting to grow sugar cane, entered into a loan contract with the buyer and the buyer will issue a check called “sugar cane deposit check”. The sugar cane grower had to sell the check to the Bank with a discount. As the buyer, sugar cane factory, issued over 10,000 checks, the growers had to wait for a long time to cash the checks. Therefore, the Bank collaborated with sugar factories or sugar cane buyers so that the process mentioned would be done electronically, saving time for both the factories and the growers as there would be no need to issue checks and to sell the checks to the Bank. Many sugar factories took in KTB e-LBD Project and growers became happier.

Traffic Ticket Fine Payment Project

Originally, when people received traffic ticket, they paid the fine at police station or by money order. The Bank became the main payment gateway for receiving fine payment, generating revenue from information management and payment. The Bank itself was a payment gateway and it could add additional payment gateways such as convenient stores, other commercial banks or agents. Over 50,000 payments were made through the Bank and as a result, fee income increased because the Bank’s fee was cheaper than the cost of original payment methods, e.g. money order, registered mail.

Mr. WoraphonLaohaphonwattana  
(shareholder)

The shareholder praised the annual report. He also asked a question about the Bank’s approach to controlling the quality of loans given to the rice mill business and to preventing them from becoming NPLs as it had been reported in the news that the Bank had given additional loan.

Chairman of the  
Board of Executive  
Directors

The Chairman explained that risk management was a general principle of all banks. When granting loans, the Bank considered characteristics of the business, demand, supply and marketing of the business. A sector limit was also set. As rice was agricultural produce which imposed effect on the

mass, the Bank as a state-owned bank should support the government's policies. However, the Bank had to try to control the quality of loans by using sector limit. Giving additional loan to rice mill business helped promoting rice export because it helped with releasing rice to foreign countries, which was beneficial to the country in general.

Mr. Somphong Boonmee  
(shareholder)

The shareholder enquired about the rise in NPLs of retail customers

President

The President explained that considering the details of retail loans given in the past 2 years, the amount of NPLs was very little. The majority of the NPLs were from businesses which had been restructured but became NPLs again.

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 2016 of the Board of Directors as proposed by the Board of Directors.

#### Item 3 To consider and approve of the Financial Statement for the year ending 31<sup>st</sup> December 2016

The Chairman requested the meeting to consider and approve the Financial Statement ending 31<sup>st</sup> December 2016, 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 on the significant detail of the Financial Statement.

The Secretary informed the meeting that the Financial Statement for the Year 2016 ending 31<sup>st</sup> December 2016, with the details of the financial statement including the Management Discussion and Analysis, were provided in CD-ROM, Annual Report 2016 and Financial Summary

from Annual Report 2016, which had been delivered to the shareholders together with the invitation letter. The details are summarized as follows:

As at 2016, the Bank's asset amounted to Baht 2,614,797.94 million, decreasing from 2015 by Baht 133,809.89 million due to the decrease of loan and net investment, and liabilities amounted to Baht 2,354,343.20 million, decreasing from 2015 by Baht 159,793.10 million due to the maturity date of short and long term deposit, which was in complying with the decrease of loan amount. Meanwhile, the equity amounted to Baht 260,454.74 million, increasing from 2015 by Baht 25,983.21 million due to book value. The Bank's net profit after tax amounted to Baht 29,967.79 million, increasing from 2015 by Baht 3,494.04 million. In this regard, the Financial Statement as at 31<sup>st</sup> December 2016 had already been audited by the Office of the Auditor General of Thailand, which is the Bank's auditor.

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

Mr. Wijarn Jongphakdee  
(shareholder) The shareholder praised the auditor's report, Audit Committee's report, Board of Executive Directors' report and Risk Management Committee's report.

Basant Kumar Dugar The shareholder passed the following opinions:

- (shareholder)
1. The Bank should cooperate with related agencies in adjusting the Bank's credit rating.
  2. The agenda items should be arranged in order so that the meeting would more effective.
  3. Regarding the approval of the meeting's minutes, a channel to communicate with shareholders should be established to receive the up-to-date answers quickly, transparently and in time.

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 2016 ending 31<sup>st</sup> December 2016 as presented to the meeting above.

**Resolution**

The meeting approved the Financial Statement for the Year 2016 ending 31st December 2016 as submitted by the Board of Directors by majority votes of the attending and voting shareholders. The details are as follows:

Vote in favor	11,056,396,675	Votes	equivalent to	99.999692
Vote against	34,000	Votes	equivalent to	0.000308
Vote abstentions	19,157,448	Votes		
Voided ballot	0	Votes		

**Item 4 To consider and approve of appropriation of the 2016 net profit and dividend payment**

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

The meeting was informed that 2016 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 2016 amounting to Baht 29,967.79 million. During the year of 2016, the Bank transferred June 2016 net profit amounting to Baht 15,321.03 million to retained earnings so as to increase the Bank's capital which generally benefits the Bank. Presently, the Bank set the legal reserve in full amount required by the Bank's Article of Association and the Public Limited Companies Act. In this regard, the Board of Director deemed it appropriate to provide dividends payment from 2016 net profit to the shareholders as Baht 1.0145 per preferred share and Baht 0.86 per ordinary share.

	2016
Net profit	Baht 29,967.79 million
as Preferred Shares Dividend (5,500,000 shares)	Baht 5.58 million (Baht 1.0145 per share)
as Ordinary Shares Dividend (13,976,061,250 shares)	Baht 12,019.41 million (Baht 0.86 per share)
Profit Balance Carried Forward	Baht 17,942.80 million

In this connection, dividend per net profit accounted for 40.13% in compliance with the prescribed dividends payment policy of the Bank.

The dividends are paid from accumulated profit paying income tax at the rate of 23%. Natural person shareholders were able to request dividend tax credit by crediting tax in amount equal to 23/77 of dividends. The Bank has gathered the Record Date on which shareholders have the right to receive dividend on Thursday 11<sup>th</sup> May 2017 and fixed the share registration book closing date on Friday 12<sup>th</sup> May 2017 for gathering shareholders' names 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 26<sup>th</sup> May 2017.

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

Mr. Somchai Jensathirapan  
(shareholder) The shareholder suggested that the Bank should hold the Annual General Meeting sooner to ensure that dividend payout to shareholders would not be late. He also suggested that the Bank should pay dividend to shareholders twice a year in the same way as other commercial banks.

Mr. Somsak Kaensuwan  
(shareholder) The shareholder suggested that the Bank should take care of its shareholders because most of the Bank's shareholders constantly expected good yield from their investment.

As no attending shareholders in the meeting had objection or alteration, the Chairman proposed the meeting to consider and approve of appropriation of the 2016 net profit and dividend payment as presented to the meeting above.

#### Resolution

The meeting approved the proposed appropriation of net profit for the 2016 and the dividend payment as submitted by the Board of Directors. Preferred share and ordinary share dividend were paid at the rate of Baht 1.0145 and Baht 0.86 per share respectively. The Bank has gathered the Record Date on which shareholders have the right to receive dividend on Thursday 11<sup>th</sup> May 2017 and fixed the share registration book closing date on Friday 12<sup>th</sup> May 2017 for

gathering shareholders' names 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 26<sup>th</sup> May 2017. With the majority votes of the attending and voting shareholders, the details are as follows:

Vote in favor	11,077,163,945	Votes	equivalent to	99.999039
Vote against	106,472	Votes	equivalent to	0.000961
Vote abstentions	32,931	Votes		
Voided ballot	0	Votes		

**Item 5 To consider and approve of 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 details to the meeting.

Chairman of the Nominating and Remuneration Committee informed the meeting that the Directors' remuneration for 2017 and Directors' gratuity for 2016 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 2017 and Director's gratuity for 2016 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 2017 are as follows:

- 1) Remuneration for the position of 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
    - Other committee required by the Bank of Thailand or the Board of Directors of the Bank as they deem appropriate

3) Meeting honorarium paid to the attending Director or other committee required by the Bank of Thailand or the Board of Directors of the Bank as they deem appropriate 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.

However, there is no any privilege offered to the directors. Abovementioned remuneration rate would be effective until otherwise specified by the meeting.

2. Director's Gratuity for 2016

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 awards presented to the Bank as shown to the shareholders via the multimedia presentation.

Henceforth, the Director's remuneration for 2016 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 47.13 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:

<u>Mr. Sayan Thong-on</u> (shareholder)	The shareholder praised the committees' operation and gave moral support to the committee members.
<u>Mr. Somsak Kaensuwan</u> (shareholder)	The shareholder asked whether a civil servant who was appointed a member of the Board of Directors could receive his/her remuneration.
<u>Chairman</u>	The Chairman thanked the shareholder for the remark and the issue would be considered in accordance with the law.

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 for 2017 and Director's Gratuity for 2016 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	10,895,557,321	Votes	equivalent to	98.379478
Vote against	178,667,229	Votes	equivalent to	1.613244
Vote abstentions	806,049	Votes	equivalent to	0.007278
Voided ballot	0	Votes	equivalent to	0.000000

#### Item 6 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 terms 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 directors must retire in the number nearest to one-third". Therefore, in this meeting, four (4) Directors had to retire from office namely; Dr. Kittipong Kittayarak, General Tienchai Rubporn, Dr. Kulaya Tantitemit and Mr. Payong Srivanich.

To be in line with the principle of good corporate governance, the Chairman invited those Directors whose names were proposed in the meeting to temporarily leave the meeting. The Chairman invited Mr. Nontigorn Kanchanachitra, Chairman of the Nominating and Remuneration Committee, was invited to inform shareholder the key details.

Chairman of the Nominating and Remuneration Committee informed the Meeting that there were 4 Directors retiring upon completion of their terms of office namely; Dr. Kittipong Kittayarak, General Tienchai Rubporn, Dr. Kulaya Tantitemit and Mr. Payong Srivanich. The Stock Exchange of Thailand notification about the rights of shareholders prior to the 24<sup>th</sup> Annual Ordinary General Meeting (2017) dated on 21<sup>st</sup> September 2016 had been informed to the meeting. The Bank had offered the opportunity to the shareholders to nominate persons to be elected as Directors during 1<sup>st</sup> October – 31<sup>st</sup> December 2016. It appeared that there was no candidate nominated by shareholders.

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 qualifications, knowledge, skills, experience, career history, specialized in various aspects, for instance, specialized on microeconomics; financial knowledge; law; information technology; human resource; and industrial sector; including their morality, ethics as well as the qualifications that were appropriate and in compliance with the compositions and structure of the Board of the Directors, the Bank's regulation, relevant law and regulators' requirement. Furthermore, they have performed their duty with accountability, prudence, integrity and good faith under the applicable laws, objectives and the Bank's Articles of Association, the resolution of Directors as well as the resolution of the General Meeting. They also created many successes to the Bank. The Board of Directors, which the Directors getting nominated in the meeting were not included, agreed to

present the meeting to consider selecting Dr. Kittipong Kittayarak and General Tiencha Rubporn to take the position of Director and Independent Director for another term and to select Dr. Kulaya Tantitemit and Mr. Payong Srivanich to take the position of Director for another term. The four persons had already been approved by the State Enterprise Policy Committee, Ministry of Finance and the Bank of Thailand. Hence, the details regarding the opinion of the Committee have already been disclosed in the invitation letter that the Bank had delivered to the shareholders. Secretary had been invited to inform the details of individual voting to the shareholders.

The Secretary informed the meeting 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 place mark in the desired box in the voting ballot in order to vote in electing the Directors individually. Upon completion of voting that consisted of four Directors, 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.

Later, the Chairman offered opportunity to the shareholders to raise any question. The questions are summarized as follows;

Mr. Prukthanunt Sriwonglieng  
(Proxy)

The proxy would like to know the criteria for the nomination of committee members and term limit.

Chairman of the Nominating and Remuneration Committee

The Chairman of the Nominating and Remuneration Committee explained that the Committee considered all aspects of qualifications of the candidates for committee member positions to ensure that they were suitable in terms of qualifications, knowledge, skills, experience, career history and expertise. The Committee also considered the structure and elements of the Committee. He added that at the moment, the length of the term was limited according to the Bank's Articles of Association but there was no term limit. However, a committee member must not be older than 65 years old.

Mr. Phonchai Thornnatham (shareholder) The shareholder asked that in case where the President is also a member of the Board of Directors, whether or not the president should receive his remuneration for the President position.

Secretary According to article 36 in the Bank's Articles of Association "The Board of Director has the power to appoint the President and employees of the company, as well as appointing the company's representative. The duties and responsibilities of the aforementioned people shall be set by the Board of Directors at their own discretion. The Board of Directors may also set the rate of remuneration and reward to them and may remove them from their positions.

The Board of Directors shall assign power of attorney to the Managing Director so that he may appoint or release the company's employees from their position.

If the appointed Managing Director is also a member of the Board of Directors, he is called the President,"

any Managing Director could also be a member of the Board of Directors if the Board of Directors deemed suitable.

Vice Chairman of the Board of Directors The Vice Chairman of the Board of Directors explained as the Bank was a state-enterprise, the highest executive officer must be recruited through the nominating procedure and the Nomination and Remuneration Committee consisted of representatives from various business units, so that a candidate with the most suitable qualifications and skills to be the organization's executive was selected. The highest executive officer was also appointed a member of the Board of Directors to ensure that he could give suggestions and voice his opinions and that the communication between the Board of Directors and the management regarding policies were correct and clear.

Chairman The Chairman thanked the shareholder for his remarks and said they would be considered in accordance with the law.

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

Resolution

The meeting approved the election of Directors and Independent Director as proposed by the Board of Directors for each individual person by majority votes of attending and voting shareholders as follows:

1. Dr. Kittipong Kittayarak was elected to take up the position of Director and Independent Director for another term. The details are as follows:

Vote in favor	10,872,233,640	Votes	equivalent to	98.154907
Vote against	204,373,713	Votes	equivalent to	1.845093
Vote abstentions	646,751	Votes		
Voided ballot	0	Votes		

2. General Tiencha Rubporn was elected to take up the position of Director and Independent Director for another term. The details are as follows:

Vote in favor	10,879,350,583	Votes	equivalent to	98.218455
Vote against	197,336,157	Votes	equivalent to	1.781545
Vote abstentions	577,451	Votes		
Voided ballot	0	Votes		

3. Dr. Kulaya Tantitemit was elected to take up the position of Director for another term.

The details are as follows:

Vote in favor	10,898,870,878	Votes	equivalent to	98.394208
Vote against	177,869,362	Votes	equivalent to	1.605792
Vote abstentions	578,951	Votes		
Voided ballot	0	Votes		

4. Mr. Payong Srivanich was elected to take up the position of Director for another term.

The details are as follows:

Vote in favor	11,059,326,208	Votes	equivalent to	99.842774
Vote against	17,415,512	Votes	equivalent to	0.157226
Vote abstentions	577,471	Votes		
Voided ballot	0	Votes		

The Chairman invited Directors who temporarily left the meeting room to the meeting and continued the meeting.

**Item 7**      **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 Dr. Kittipong Kittayarak, 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 2017 as the following details: financial statement audit fee for four (4) times of Baht 5,600,000 and non-audit fee of Baht 1,350,000 totaling in the amount of Baht 6,950,000 excluding overtime allowance, branch audit expenses and other audit expenses in compliance with regulations applicable to the Bank.

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 and also audited the Bank's financial statement within the period of time specified by law. 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.

<u>Mr. Prukthanunt</u>	The proxy asked why the Bank did not hire other auditors apart from the
<u>Sriwonglieng</u>	Office of the Auditor General of Thailand which had always been assigned
<u>(Proxy)</u>	to be auditor.

Chairman of the  
Audit Committee

According to Budget Procedures Act B.E. 2502 (1959), the Bank as a state-enterprise must assign the Office of the Auditor General of Thailand to be its auditor. In practice, the Office of the Auditor General had done a good job in auditing the Bank and comparing to peers, the Bank's auditing cost was much lower. Moreover, the Office of the Auditor General had always provided good service to the Bank.

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

**Resolution**

The meeting approved the election of the Office of the Auditor General of Thailand to be the Bank's auditor by receiving the audit fee for 2017 in the amount of Baht 6,950,000 as proposed by the Board of Directors with majority votes of the attending and voting shareholders as the following details:

Vote in favor	11,065,680,047	Votes	equivalent to	99.899413
Vote against	11,141,857	Votes	equivalent to	0.100587
Vote abstentions	547,580	Votes		
Voided ballot	0	Votes		

**Item 8**      **Other issues**

The Board of Directors informed the meeting in 2 matters as follows;

1. The Bank would propose to amend the Articles of Association in the next annual general meeting because according to the Order of the National Council for Peace and Order No. 21/2560 (2017) re: Amendments to laws to improve ease of doing business, announced in the Royal Thai Government Gazette on 4<sup>th</sup> April 2017, Article 100 of Public Limited Companies Act, B.E.2535 (as amended) was amended to grant shareholders the right to request the Board of Directors to call and hold annual general meeting, which differed from the content of the Bank's Articles of Association.



2. The Bank had cancelled the agenda re: the approval of annual general meeting minutes, effective from the next annual general meeting onwards. The Bank would publish the minutes of the 24<sup>th</sup> Annual General Meeting on the Bank's website on Friday 12<sup>th</sup> May, 2017 and would notify the shareholders via SET system. Shareholders would be given a chance to ask questions or express opinions about the minutes within 1 month from the date of the meeting.

The Board of Directors had no other issues to inform the meeting.

Then the Chairman invited the shareholders to ask questions. The questions are summarized as follows:

Mr. Prukthanunt The proxy gave suggestions on the 3 issues as summarized below:

- Sriwonglieng  
(Proxy)
1. The Bank's participation in the National e-Payment Master Plan should be listed as a separate agenda item so that shareholders knew the information about the Bank's participation as Thai Alliance Payment System or TAPS.
  2. The shareholder gave suggestions on service at branch.
  3. The shareholder gave suggestions on improving the forms used when providing services to customers.

Chairman The Chairman thanked the shareholder, accepted his suggestions and would pass them on to related departments for consideration. As for the government's National e-Payment Project, in which the Bank played an important role, the Chairman invited the Head of Global Transaction Banking Group to explain further.

Head of Global  
Transaction  
Banking Group

The Head of Global Transaction Banking Group explained that the National e-Payment was a government project which aimed to reduce cash usage and promote access to financial services. This will help cutting the cost for entrepreneurs, the people and the country. The project would start with "PromptPay," a new type of fund transfer, and the expansion of card usage so that the cards were widely used for payment among the people, businesses and government agencies. More than 5 million people had applied for PromptPay with the Bank and a great number of electronic

financial transactions had been generated. As for the expansion of card usage, the Bank increased the number of merchants accepting card payment. At first phrase, some shops might reject card payment or set minimum payment because the average cost for managing card payment was rather high. The Bank was considering balancing out the cost of management. In the future, it is expected that the volume of transaction would increase and thus, the people as well as shareholders of the Bank would receive better return.

Mr. Phonchai  
Thornnatham  
(shareholder)

The shareholders gave suggestions on the 3 issues as summarized below:

1. The Bank should adjust its dividend policy so that shareholders received more dividend payment.
2. The shareholders should be given a chance to voice their opinion during the acknowledgement of the Board of Directors' annual report.
3. The shareholder asked the Bank to cooperate with The Office of the Securities and Exchange Commission (SEC) in dividing listed companies into groups because a great number of listed companies hold their annual general meeting in the last week.

Chairman

The Chairman explained to the shareholder as follows:

1. The Bank placed importance on its dividend policy because an increase or decrease in dividend policy would have impact on many aspects. The dividend policy was considered and established at the shareholder meeting.
2. Shareholders were welcome to ask questions and voice their opinion while discussing the acknowledgement of the Board of Directors' annual report. The Chairman also thanked the shareholder for suggestions.
3. The date of the Annual General Meeting depended on the readiness and the management of each company.

Mr. Prukthanunt  
Sriwonglieng  
(Proxy)

The shareholder asked why there were many types of Electronic Data Capture (EDC) machines and why different documents were required for application.

Head of Global Transaction Banking Group      The Head of Global Transaction Banking Group explained that the Bank had many types of EDC machines, depending on usage and location. For example, in areas where there was no cellular network, a specific type of EDC machine would be required while in areas where cellular network was available, another type of EDC machine was required. The difference in application documents was due to different areas having different criteria for application. Moreover, as the number of fraudsters rose, the Bank had to be stricter and look more into the details to protect the benefits of customers and the Bank.

Chairman      The Chairman thanked shareholders for all their suggestions and remarks.

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 16.05 hours.**

Chairman of the Board of Directors  
(Dr. Somchai Sujjapongse)

Corporate Secretary  
(Mr. Suchart Dejittirut)