



The 2010 Annual General Meeting of Shareholders

The Board recognizes the critical importance of corporate governance in supporting the Bank's sustainable growth, creating shareholder value, and securing trust from all stakeholders, including shareholders, customers, employees, and the general public. The Board is determined to adhere to good corporate governance practices. The Bank has lately been recognized for the fourth year in a row with "The Best of Asia 2010 Award" from Corporate Governance Asia, the leading magazine covering corporate governance in Asia. The Bank was also recognized with the Best CG Report 2010 award by the Stock Exchange of Thailand. The Thai Institute of Directors (IOD) CG assessment results for year 2010 recognized that the Bank has continuously maintained and developed excellent corporate governance practices for six years from 2005 through 2010.

Corporate Governance Policy

The Board has formulated corporate governance policy, which includes guidelines covering governance structure, the roles and duties of the Board of Directors and Board committees, stakeholder rights, shareholder meetings, codes of business conduct, conflict-of-interest management, internal controls, and disclosure policy.

The Board has assigned the Nomination, Compensation, and Corporate Governance Committee to formulate corporate governance policy and monitor compliance. The Committee also reviews and adapts the policy to ensure that it is in line with guidelines issued by supervisory authorities for commercial banks and listed companies, and moves towards the best internationally accepted standards. The Bank's goal is to adopt world-class practices in order to benefit stakeholders and maintain their trust. The

Bank's policy statement on corporate governance is available to the public on its website (www.scb.co.th) under "Corporate Governance".

The Bank's corporate governance practices in 2010, in accordance with guidelines of the Stock Exchange of Thailand, were as follows:

1. Rights of Shareholders

1.1 Policy of Protecting Shareholders' Rights

The Bank has a policy of ensuring that shareholders receive their basic rights in buying, selling, or transferring shares, profit sharing, participating in shareholder meetings to cast votes in an independent and equitable manner, taking part in important business decisions (e.g., appointment and removal of directors, approval of directors' remuneration, appointment of the auditor, approval of the audit fee, etc.), and receiving adequate, timely, and complete information about the Bank via easily accessible channels.

The Bank has formulated information about shareholders' rights, including news which may be of benefit to shareholders, and posted this information on its websites. The Bank has assigned the Board Secretariat and Shareholder Services Office to assist shareholders in exercising their rights. Shareholders can contact the Office via telephone at 0-2544 4216-8 and by fax at 0-2937 7931.

1.2 Shareholders' Meeting

The Bank holds its Annual General Meeting of Shareholders in compliance with laws and other relevant regulations, including good governance practices concerning shareholders' rights and the equitable treatment of shareholders. The 2010 Annual General Meeting of Shareholders was held on April 2, 2010. The Bank took the following actions:

Prior to the Meeting Day

The invitation to minority shareholders to propose agenda items and questions and to nominate directors in advance of the 2011 AGM was open during the period of October 1–31, 2010. The Board resolved to approve the schedule of dividend payments, the date of the 2010 Annual General Shareholders' Meeting, detailed agendas, as well as the relevant details and date of closing of the Register Book in order to determine the right to attend the Annual General Shareholders' Meeting and receive dividends. This information was disseminated to shareholders well in advance via the disclosure channels of the Stock Exchange of Thailand. The Bank also posted the information on bulletin boards at its head office and all branches.

The Meeting Notice, containing detailed agendas, factual details, rationales, and Board recommendations for each agenda item, as well as accompanying documents, details of meeting procedures, voting, proxy appointments, and the 2009 Annual Report in the form of a CD-ROM, were provided to shareholders via various channels, including on the Bank's website 34 days in advance of the Meeting, so that shareholders would have sufficient information for consideration and effective exercise of their rights on each agenda item. The Meeting Notice and accompanying documents were prepared in both Thai and English. They were delivered to all shareholders 14 days in advance of the 2010 Annual General Shareholders' Meeting. The printed copy of the Annual Report was also available upon request to the company secretary.

On the Meeting Day

Registration was conducted through a bar code system for shareholders and proxy holders. Separate voting slips were provided for each agenda item. This process provided additional convenience and speed. The registration is open for shareholders both prior to and during the Meeting, by virtue of which shareholders were still able to register to attend the Meeting at any time and vote on agenda items not yet dealt with.

The 2010 Annual General Meeting of Shareholders was chaired by the chairman of the Board. All of the SCB directors attended the Meeting. There were 1,568 shareholders in attendance, in person and via independent directors and others acting as their proxies. They represented 2,819,333,580 shares, accounting for 82.94% of the total shares issued.

The company secretary explained the voting procedures before the Meeting formally commenced. Voting and ballot counting were conducted openly. Each agenda item voting result, compiled through the bar code system, was announced by the company secretary with inspectors appointed to ensure that voting was performed correctly and in a transparent manner.

For shareholder convenience, multi-media presentations were shown during the Meeting, and a simultaneous English translation was provided for foreign shareholders. The chairman of the Meeting and the chairpersons of the Board committees allowed shareholders full opportunity to ask questions and make recommendations, and provided comprehensive clarification when requested. Other directors and management also clarified and answered related issues. The meeting minutes and detailed votes for each agenda item were recorded by the company secretary.

The Bank recognized and respected shareholders' rights. The Meeting Agenda was neither added to nor revised on the meeting date.

Following the Meeting Day

The Minutes of the 2010 Annual General Meeting of Shareholders were submitted to the Stock Exchange of Thailand within 14 days of the Meeting, and disclosed on the Bank's website (www.scb.co.th) to allow shareholders early access to the information.

1.3 Dividend Payment Policy

• *Dividend Payment Policy of the Bank*

The Bank has a policy to pay dividends at the rate of 30-50% of net profit according to the consolidated financial statements in any year in which the Bank posts a profitable operating result, provided there are no accumulated losses, and the Bank has set aside all statutory and other reserves and is able to maintain adequate capital funds in compliance with the regulatory requirements.

In 2010, the dividend from the Bank's operational results in the financial year 2009 was paid to holders of the Bank's preferred and ordinary shares at the rate of Baht 2.50 per share, equivalent to Baht 8,498 million or 40.9% of the 2009 net profit.

• *Dividend Payment Policy of Subsidiaries*

When the Bank has full controlling power of a subsidiary and such a subsidiary is not a listed company, the dividend payment policy is to pay dividends at the maximum amount from the net profits after appropriation for legal reserve or pursuant to business requirement.

When the subsidiary is a listed company or a company over which the Bank does not have full control, the policy for dividend payment shall be in accordance with the policy announced by such company, consistent with the applicable laws, rules, and regulations.

2. Equitable Treatment of Shareholders

2.1 Shareholders' Rights to Propose Agenda Items, Nominate Directors, and Submit Questions to the Annual General Meeting of Shareholders in Advance

The Bank is determined to duly adhere to good corporate governance practice to ensure the proper treatment of shareholders. This allows shareholders to propose key issues, such as meeting agenda items and director nominations, as well as questions, in advance of the Meeting. Proposals can be made in accordance with the Bank's rules: by letter, by e-mail (company_secretary@scb.co.th), or via the Bank's website. The Nomination, Compensation, and Corporate Governance Committee will screen submitted proposals and make its recommendations to the Board. Shareholders who make proposals will be informed of the results of the Board's decision. Accepted agenda items will be included in the next notice of the Annual General Meeting of Shareholders.

For the 2010 Annual General Meeting of Shareholders, the Bank allowed shareholders to submit agenda items and director nominations by sending proposals during October 1-31, 2009 for the Nomination, Compensation, and Corporate Governance Committee to screen and make its recommendations to the Board. However, no agenda items, director nominations, or questions were proposed for the 2010 Annual General Meeting of Shareholders.

The proposal period for eligible shareholders to submit agenda items, director nominations, and questions in advance for the 2011 Annual General Meeting of Shareholders was set during October 1–31, 2010. No agenda items, director nominations, or questions were proposed before the expiration of such period.

2.2 Designation of Proxies to the Annual General Meeting of Shareholders

The Bank allowed shareholders who were unable to attend the Meeting in person to designate another person or a relevant independent director to act as their proxy. The Bank provided full details of the designated independent directors, such as background, address, education, and membership on boards of other listed companies that compete with or are related to the Bank, relationships of such independent directors, and interests connected to the agendas under consideration. Proxy forms submitted to shareholders fully described all agenda items to be assigned to the proxy as stipulated by Department of Business Development, Ministry of Commerce. Shareholders could also cast their specific votes using proxy forms.

2.3 Ballots Used for the Annual General Meeting of Shareholders

The Bank used ballots for all Meeting agendas. In order to expedite the vote counting process, the Bank only collects the ballots of those who did not agree with the proposed Meeting resolutions or abstained from exercising their rights, and retains these ballots for later verification.

2.4 Individual Election of Directors

One-third of the Bank's directors retire by rotation at each Annual General Meeting of Shareholders. With respect to the election process, the Bank has the shareholders elect the directors individually by voting ballots, counted in the same manner as voting on other agenda items.

2.5 Internal Control on the Use of Inside Information by Directors and Staff

The Board of Directors has laid out measures designed to disclose and prevent conflicts of interest and prevent the use of inside information by formulating policy, operational guidelines, and supervision through the following means:

- (1) The Bank has a Code of Conduct for Directors and a Code of Conduct for Employees, including such matters as the use of inside information and the confidentiality of customer information, and has disseminated these to all concerned parties. Details of the Codes of Conduct are available to the public on www.scb.co.th under "Corporate Governance".
- (2) The Bank has guidelines for directors and regulations for employees concerning securities trading that prohibit directors and relevant staff from using or disclosing inside information for personal interest.
- (3) The Bank imposes non-trading periods on directors, executives, and employees involved in financial statement preparations, prohibiting them from trading in the Bank's securities during a 14-day period preceding the announcement of quarterly, semi-annual, and annual financial statements. Furthermore, the Bank prohibits directors and executives from investing in the Bank's stock futures.
- (4) Directors and executives are required to disclose information on their shareholdings and to report trading transactions related to the Bank's shares to the Bank and the Securities and Exchange Commission within three days. The company secretary is responsible for collecting data on any changes in such shareholding for reporting as part of the regular agenda of the Board of Directors Meeting.

2.6 Connected Transactions

- (1) In considering connected transactions, the Bank has adopted regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission, and the Capital Market Supervisory Board as strict guidelines. Board members or executives are prohibited

from participating in consideration of any matters in which they might have a beneficial interest. The company secretary takes note of their related interests in the minutes of meetings.

- (2) The Bank has a policy for price quotations and other conditions for related party transactions, to ensure that such pricing and conditions are in line with those of other regular business.
- (3) The Board of Directors, (excluding those with an interest in a connected transaction), have the duty of approving loans to and investments in parties having connected transactions with the Bank, Board members, or executives.

2.7 Conflict-of-Interest Report

The directors and executives of the Bank are required to report on their, and their related persons' interests to the company secretary on a quarterly year basis in compliance with the Securities and Exchange Act, B.E. 2535. The directors and executives of the Bank must report any change of information with regard to interests during the quarter to the chairman of the Board and chairman of the Audit Committee for acknowledgment. The Bank will utilize such information to supervise the transactions between the Bank and the directors, senior executives, and related persons.

3. Role of Stakeholders

3.1 Policy and Treatment of Stakeholders

The Bank recognizes the rights of all stakeholders, as evidenced in its vision of being "the bank of choice" for customers, shareholders, employees, and the community, including other stakeholders. In addition, the Bank has in place a policy whereby all stakeholder rights are safeguarded, in a fair manner for mutual sustainable growth, by strict compliance with applicable laws and regulations, including the Bank's policies and good governance practices as stated in the Corporate Code of Conduct. Details are as follows:

• *Customers*

The Bank recognizes customers as a priority and aims to provide optimal benefits and satisfaction to its customers through the delivery of quality products and services, corresponding to requirements in terms of speed, friendliness, and effectiveness.

To achieve expectations, the Bank has created awareness among all staff of the need for an attitude of giving customers a priority in all matters. Product and service development, process redesign, revamp of system applications, and improvement of work environments have been implemented to meet customer requirements. The Bank has, since 2004, measured "customer engagement" by commissioning an independent international research company to conduct customer surveys at all SCB branches to measure service satisfaction and compare it with the research company's global database. Since 2008, a satisfaction survey has also been conducted among corporate and SME customers.

The Bank has utilized these survey results for regular improvement of its customer services, to enhance customer engagement in the long term. On the retail banking front, the Bank has improved service quality to bring customer engagement to world-class levels since 2006.

• *Shareholders*

In delivering satisfactory returns to our shareholders, the Bank enhances the efficiency of management to sustain superior operating results with effective internal controls and risk management. The Bank has a policy of disclosing information to shareholders with transparency and accountability. Consequently, the Bank's market capitalization calculated from total shares (ordinary and preferred shares) as of year-end 2010 was equivalent to Baht 352 billion, the highest among Thai financial institutions.

- **Employees**

Recognizing that people are one of the key drivers of the Bank's performance and sustained development, emphasis is placed on comprehensive employee development programs and human resource management. These are aimed to enhance learning, competency and skill development, the ability to respond to challenges in an increasingly volatile and competitive business environment, and appropriate compensation and benefits. Employees receive equitable treatment, and there is no gender, age, or religious discrimination or discrimination against disability in the workplace.

Emphasis is also placed on promoting adherence to the code of conduct regarding human rights, mutual respect, and non-harassment, including the creation of a pleasant and safe work environment. Employees are entitled to full legal rights, for instance; the establishment of a benefits and work safety committee; 5 S and work environment training program; "Big Cleaning Day"; annual fire and security drills; emergency plans for protection of employee property and Bank property in a crisis situation; sick rooms with nurses and doctors; and the freedom to exercise legal rights concerning labor unions. Most importantly, the Bank actively encourages employee motivation and commitment to growing together with the Bank.

In human resource management during 2010, the strategies were intricately linked with the Bank's overall strategic plans and direction, people development, and creating a work environment that both challenges and encourages all concerned. The major projects that were implemented during the year were:

- **People Development Committee (PDC)**

The People Development Committee was set up with the aim to encourage managers and supervisors to take ownership of, and assume responsibility for, staff development, with the HR Group acting as adviser on HR policy, principles, and best practices. The main functions of the PDC are to:

1. Formulate the Bank's human resource development policy to be in alignment with its business direction.
2. Monitor implementation of HR development policy.
3. Formulate a long-term plan for developing talent to fill key positions.

- **Employee Engagement**

Employee engagement is actively promoted from the first day that a new employee joins the SCB community through the on-boarding program and building a team spirit between supervisors, subordinates, and colleagues. The Bank recognizes that a happy workforce is a productive and motivated workforce.

In an employee engagement poll carried out by Gallup in August 2010, involving a high employee participation rate of 99%, the Bank's overall engagement score was 4.65, ranking in the 92nd percentile, a level considered world class.

The Bank was recognized as the best employer in Asia 2010 by the Employer Branding Institute of India for its commitment to raising employee engagement levels, the only Thai bank to have received this accolade.

- **Corporate Social Responsibility**

The Bank adheres to the principle of conducting business with responsibility to society, and with sensitivity when dealing with matters relating to the public interest, and regularly supports and participates in activities beneficial to youth, local communities, and society as a whole. Employees are also encouraged to embrace volunteerism in line with the policy of the Corporate Social Responsibility Committee. In 2010, the Bank continued to conduct

business while keeping up with social progress. Details on our Corporate Social Responsibility projects are available on page 52.

- **Business Partners**

The Bank treats its partners and competitors with integrity and confidentiality in compliance with applicable laws and regulations, and provides mutually beneficial assistance towards achieving their business goals. At the same time, the Bank has provided useful input concerning rules and regulations to be adopted as standard practice for the industry.

- **Competitors**

The Bank treats its business competitors fairly, without any dishonest or unethical actions. In the past year, the Bank has had no dispute with its competitors and did not procure competitor information by unethical means.

- **Creditors**

It is the policy of the Bank to provide transparent and accountable information to creditors. The Bank strictly honors agreements entered into with the Bank's creditors and suppliers in accordance with agreed terms and relevant laws and regulations.

- **Suppliers**

The Bank has formulated a clearly defined strategy for supply procurement and hiring, which is aimed at creating fairness, transparency, and accountability for all parties concerned. Specific procurement committees have been formed for procurement of general items, technology systems, premiums for sales promotion, and advertisement media. Full details of procurement regulations and manuals are available.

- **Environment**

The Bank seeks to comply with environmental laws and regulations, implement effective safety and environmental management measures to prevent negative impact on local communities, and promote employee awareness of, and concern for, the environment. Details of environmental activities are provided in the section titled "Corporate Social Responsibility" on page 52.

3.2 Mechanism for stakeholder participation

The Bank aims to operate to the satisfaction of all stakeholders, and a variety of communication channels enable anyone to contact the Bank. Customers can contact any branch or responsible staff/relationship manager, and employees can contact the HR Client Services Division. Any complaints, suggestions, or comments can also be addressed to the Board of Directors and management by:

- 1) Contacting the SCB Easy Call Center at: 0-2777 7777.
- 2) Contacting the Board Secretariat and Shareholder Services Office
Fax number: 0-2937 7931
E-mail at: company_secretary@scb.co.th
Mail or by hand to the attention of the company secretary at:
The Siam Commercial Bank PCL, Head Office
19th Floor, Board Secretariat and Shareholder Services Office
9 Ratchadapisek Road, Jatujak Sub-district, Jatujak District
Bangkok 10900

The Bank has laid down a clear policy and practical guidelines for handling customer complaints. All information is kept confidential. The Bank will investigate, find solutions (if any), and report to the Audit Committee and the Board of Directors.

4. Disclosure and Transparency

4.1 Disclosure Policy

A disclosure policy has been formulated with the aim of delivering timely, complete, and accurate disclosure of information to shareholders, investors, and the general public. This policy complies with all laws and regulations related to the dissemination of information. The main intent is to ensure that investment in the Bank's securities is based on fair and informed decisions. The information disclosed to the general public comprises financial and non-financial information, such as Form 56-1, the Annual Report, quarterly/semi-annual/annual financial statements, report of the Audit Committee, report of the Compensation Committee, report on related transactions and internal controls, corporate governance policy and report, charters of the Board of Directors and Board committees, etc.

The Bank discloses information on directors and executives and their shareholdings, and any changes thereto, via the disclosure channel of the Securities and Exchange Commission. Such information is also disclosed to the public via the Securities and Exchange Commission's website. Changes of shareholding of the Bank's directors and executives during 2010 can be viewed in Table 4 on page 81.

4.2 Investor Relations

An Investor Relations Unit is responsible for disclosing information to shareholders, investors, and securities analysts pursuant to its policy of providing accurate, timely, fair, and transparent information to related parties in a timely manner. Furthermore, Investor Relations is responsible for preparing and disseminating information to the general public and other interested persons via the following channels:

- The Stock Exchange of Thailand and the Securities and Exchange Commission via regular or special reports.
- The Bank's website (www.scb.co.th) under the topic "Investor Relations". This is the Bank's database for information already submitted to the Stock Exchange of Thailand, the Securities and Exchange Commission, and other regulators, including supporting documents for securities analysts' meetings, investor conferences, and road shows, so that investors and the general public can access and obtain up-to-date Bank information in a timely manner.

The Bank executives designated as disclosure officers are the chairman of the Board, the chairman of the Executive Committee, the president, the chief financial officer, and the head of the Investor Relations Division.

In a bid to establish fair treatment for information disclosure, the Investor Relations Unit will abstain from disclosing information related to operating performance of the Bank to shareholders, investors, and securities analysts seven days prior to the submission of quarterly operating results to the Stock Exchange of Thailand.

The Investor Relations Unit can be reached at:

The Siam Commercial Bank PCL
9 Ratchadapisek Road
Sub-district Jatujak, District Jatujak
Bangkok 10900
Telephone : 0-2544 4358
Fax : 0-2544 2658
E-mail : investor.relations@scb.co.th

Investor relations activities organized during 2010 comprised:

Investor Relations Activities	Times
One-on-one meetings with investors and equity analysts	109
General meetings with equity analysts	4
Investor conferences	4
Global Road Shows	2

During 2010, the Bank held press conferences and media events to promote its important activities. It also issued press releases.

5. Responsibilities of the Board

5.1 Board Composition

At the end of 2010, there were 15 Board members. Members of the Board comprise professionals with diverse backgrounds in finance, banking, business management, marketing, law, auditing and accounting, corporate governance, social and community project management, and other experience considered beneficial to banking supervision. The number of Board members is commensurate with the Bank's size and business.

The Bank's Board composition conforms with the Capital Market Supervisory Board Notification no. TorJor 28/2551 re: Application for and Approval of Offer for Sale of Newly Issued Shares and the Bank of Thailand's Notification no. 13/2552 re: Corporate Governance of Financial Institutions, as follows:

Independent director means a director who does not have any related business or hold any position or have any beneficial interest with the Bank that may affect his or her independent decision. The Bank's independent directors meet more stringent qualifications than those required in the Capital Market Supervisory Board Notification no. TorJor 28/2551 re: Application for and Approval of Offer for Sale of Newly Issued Shares.

Nine of the directors are independent directors (representing 60% of the total directors), namely Mr. Anand Panyarachun, Mr. Maris Samaram, Mr. John William Hancock, Mr. Chumpol NaLamlieng, Khunying Jada Watthanasiritam, Assoc. Prof. Dr. Kulpatra Sirodom, Mr. Sumate Tanthuwani, Prof. Vicharn Panich, MD, and Mr. Robert Ralph Parks.

An executive director is a director who holds an executive position, or any director who is in charge of any actions deemed to be taken by an executive, and shall include authorized directors.

In 2010, the Bank had three executive directors (representing 20% of the total directors), namely Dr. Vichit Suraphongchai, Mrs. Kannikar Chalitaporn, and Mr. Bodin Asavanich.

Authorized Directors

Directors who have signing authority according to the Bank's Articles of Association are Dr. Vichit Suraphongchai, chairman of the Executive Committee, or Mrs. Kannikar Chalitaporn, president. Either one is authorized to sign on behalf of the Bank.

Names of the Bank's Board members are provided in Table 1.

Table 1 : Board of Directors

Name	Positions
1. Mr. Anand Panyarachun	Chairman of the Board, Independent Director, and Member of the Corporate Social Responsibility Committee
2. Dr. Vichit Suraphongchai	Director, Chairman of the Executive Committee, and Member of the Corporate Social Responsibility Committee
3. Mr. Maris Samaram	Independent Director and Chairman of the Audit Committee
4. Dr. Chirayu Isarangkun Na Ayuthaya ¹	Director and Chairman of the Corporate Social Responsibility Committee
5. Mr. Chumpol NaLamlieng	Independent Director and Chairman of the Nomination, Compensation, and Corporate Governance Committee
6. Khunying Jada Wattanasiritham	Independent Director, Member of the Executive Committee, and Member of the Corporate Social Responsibility Committee
7. Mr. Sumate Tanthuwani	Independent Director and Member of the Audit Committee
8. Assoc. Prof. Dr. Kulpatra Sirodom	Independent Director and Member of the Audit Committee
9. M.R. Disnadda Diskul ¹	Director and Member of the Corporate Social Responsibility Committee
10. Prof. Vicharn Panich, MD	Independent Director and Member of the Corporate Social Responsibility Committee
11. Mr. John William Hancock	Independent Director and Member of the Nomination, Compensation, and Corporate Governance Committee
12. Miss Supa Piyajitti ¹	Director and Member of the Nomination, Compensation, and Corporate Governance Committee
13. Mr. Robert Ralph Parks ²	Independent Director and Member of the Nomination, Compensation, and Corporate Governance Committee
14. Mrs. Kannikar Chalitaporn	President, Member of the Executive Committee, and Member of the Corporate Social Responsibility Committee
15. Mr. Bodin Asavanich	Director, Member of the Executive Committee, and Senior Executive Vice President, Group General Counsel

Remarks:

1. Dr. Chirayu Isarangkun Na Ayuthaya, M.R. Disnadda Diskul, and Miss Supa Piyajitti represent the majority shareholders.

2. Mr. Robert Ralph Parks was appointed by the Board of Directors as an independent director on 23 March 2010 and as member of Nomination and Corporate Governance Committee on 20 April 2010

Biographical information on the Board members is shown on page 14 of this Annual Report.

5.2 Tenure

The Bank has a guideline on director's tenure for the purpose of transparency and in compliance with good governance practices at the international level, as follows:

1. Chairman: The tenure shall not exceed three consecutive terms, inclusive of the year he or she is elected as chairman.
2. Independent director: The tenure shall not exceed three consecutive full terms.

5.3 Segregation of Positions

According to the Bank's governance structure, the Bank has segregated the positions and capacities of the chairman of the Board, the chairman of the Executive Committee, and the president, to enhance the operation, governance, and transparency of internal operations, as follows:

Chairman of the Board - The chairman of the Board of Directors is an independent director and shall not be the chairman of the Executive Committee or the president of the Bank, nor be involved in the Bank's

routine management. This is in compliance with the principle of segregation of roles in policy formulation and oversight from those in operations management.

Chairman of the Executive Committee - The Board has appointed one of its members as chairman of the Executive Committee with powers and duties to manage and control the business of the Bank as assigned by the Board. The chairman of the Executive Committee is an authorized director who is empowered to develop and review key strategies and practices with roles and responsibilities relating to business of the Bank and other Board committees as appointed by the Board of Directors, including overseeing the Executive Committee's compliance with its charter, and signing on behalf of the Bank. The Executive Committee Charter is available to the public on www.scb.co.th under "Corporate Governance".

President - Under the Articles of Association, the president is an ex-officio member of the Executive Committee. The president is also an authorized director with powers and duties, as assigned by the Board, to:

1. Implement the Bank's operations according to policies, strategies, and goals as set forth by the Board.

2. Monitor and prepare reports on business conditions and the Bank's position, and recommend alternatives and strategies consistent with Bank policies and market conditions.
3. Consider and screen the Bank's business operations with approval authority according to Bank regulations.
4. Manage and supervise the Bank's operations, such as finance, risk management, internal controls, operations, and human resources.
5. Represent the Bank with the authority to assign another person to deal with government agencies and other regulatory bodies.
6. Oversee communications with the public, shareholders, customers, and employees to ensure that they are positive and enhance the Bank's reputation and image.
7. Implement assignments entrusted to him/her by the Board and the Board Committees.
8. Apply good governance principles across the organization.

5.4 Membership of Other Listed Company Boards

The Bank has laid down a clear policy regarding membership of other listed company boards, which is in line with ethical practices as prescribed by the relevant supervisory bodies, such as the Bank of Thailand and the Stock Exchange of Thailand. The Stock Exchange of Thailand has recommended that a director of a listed company shall not hold positions in more than five listed companies, while the Bank of Thailand has announced that a director of any commercial bank shall not be chairman, executive director, or an authorized director of limited companies of more than three business groups.

In addition, the Bank has established internal practical guidelines for directorship of other companies, requiring directors to notify the Bank via the Nomination, Compensation, and Corporate Governance Committee and the company secretary in advance before assuming any position in companies or organizations so that the Nomination, Compensation, and Corporate Governance Committee may review the appointment for appropriateness and compliance with relevant laws and regulations. The company secretary shall regularly inform the Board of the membership status of each director. Membership of other listed company boards is disclosed to shareholders in the Annual Report.

5.5 Company Secretary

The Board of Directors appointed Mrs. Siribunchong Uthayophas, senior vice president and manager, Board Secretariat and Shareholder Services Office, as company secretary with the responsibilities as set forth by law.

The company secretary reports functionally to the chairman of the Board of Directors and operationally to the senior executive vice president, Group General Counsel.

5.6 Board Committees

The Board has appointed the following Board committees to study and review specific matters.

5.6.1 Board committees appointed by the Board of Directors

At present, the Bank has four committees appointed by the Board of Directors: the Executive Committee; the Audit Committee; the Nomination, Compensation, and Corporate Governance Committee; and the Corporate Social Responsibility Committee, as follows:

- **Executive Committee**

Members of the Executive Committee are drawn from the Board and hold tenure concurrent with that of directorship. Currently, the Executive Committee comprises four directors, namely Dr. Vichit Suraphongchai

(chairman), Mrs. Kannikar Chalitaporn, Khunying Jada Wattanasiritham, and Mr. Bodin Asavanich.

The major functions and responsibilities of the Committee are to operate the Bank's business by following the Bank's strategies and policies. In 2010, the Board of Directors reviewed the structure of the Committee to increase flexibility and efficiency in management's operation and decision making. A change will be proposed to the Annual General Meeting of Shareholders, which requires an amendment to the Bank's Articles of Association. In 2010, the Executive Committee held 31 meetings.

- **Audit Committee**

The Board of Directors first appointed an Audit Committee in 1998. Tenure of the members of the Audit Committee is concurrent with that of directorship. In 2010, the Audit Committee comprised three independent directors, namely Mr. Maris Samaram (chairman), Mr. Sumate Tantuvanit, and Assoc. Prof. Dr. Kulpatra Sirodom. Mr. Maris Samaram and Assoc. Prof. Dr. Kulpatra Sirodom are Board members who possess strong knowledge of, and experience in, reviewing financial statements as shown in their biographies on page 15 and 16, respectively. In 2010, the Audit Committee held 15 meetings.

- **Nomination, Compensation, and Corporate Governance Committee**

The Board of Directors resolved to approve the merger of the Nomination and Corporate Governance Committee and the Compensation Committee to form the Nomination, Compensation, and Corporate Governance Committee, with effect from 22 September 2010. Tenure of the Committee members is concurrent with that of their directorship. The Nomination, Compensation, and Corporate Governance Committee is composed of four members, namely Mr. Chumpol NaLamleng (chairman), Mr. John William Hancock, Miss Supa Piyajitti, and Mr. Robert Ralph Parks. In 2010, the Nomination and Corporate Governance Committee held 4 meetings, the Compensation Committee held 5 meetings, and the combined Nomination, Compensation, and Corporate Governance Committee held 3 meetings.

- **Corporate Social Responsibility Committee**

Tenure of the Corporate Social Responsibility Committee members is concurrent with that of directorship. The seven members of the Committee comprise Dr. Chirayu Isarangkun Na Ayuthaya (chairman), Mr. Anand Panyarachun, Dr. Vichit Suraphongchai, Khunying Jada Wattanasiritham, Prof. Vicharn Panich, MD, M.R. Disnadda Diskul, and Mrs. Kannikar Chalitaporn. In 2010, the Corporate Social Responsibility Committee held 9 meetings to advance the Bank's social responsibility projects within the framework and policy set by the Board of Directors, which included: The Youth Development Project following the Royally Initiated Sufficiency Economy Philosophy; SCB Challenge Project; SCB, Let's Do Good; etc. (Additional information is provided on page 52 under "Corporate Social Responsibility".)

5.6.2 Management Committees

There are seven Management Committees, namely the Risk Management Committee, the Management Committee, the Change Program Steering Committee, the Assets and Liabilities Management Committee, the Global Investment Committee, the Equity Investment Management Committee, and the People Development Committee, described as follows:

- **Risk Management Committee**

The Board of Directors established a Risk Management Committee in 2002. The Committee is chaired by the president. Members comprise top management of relevant units. The Committee meets at least once per quarter.

- **Management Committee**

Commencing in 2011, the Strategy and Review Committee will be restructured and renamed the Management Committee, chaired by the president and with other members comprising relevant management at the group head level. The Committee has major responsibilities in providing opinions on the Bank's business such as reviewing and making adjustments of the policies and plans to be in line with the current situation. The Committee also has the duty of monitoring and assessing operational performance and considering appropriate actions, including considering and signing off on the launch of new products, services, and operational processes.

- **Change Program Steering Committee**

The Change Program represents the transformational change agenda of the Bank, approved by the Board in October 2001. The Program aims to rebuild the Bank's foundation and strengthen efficiency and service quality to world-class levels, ultimately increasing shareholder value.

The Committee is responsible for determining direction and steering Change Program projects to completion by allocating resources, monitoring progress, making critical decisions associated with the change agenda, and resolving problems or contentious issues that may arise within any project. The Change Program Steering Committee is chaired by the president, with the senior executive vice president, chief financial officer and change program, as vice chairman in charge of developing the program framework, project monitoring, and project consistency. Other members include senior executives at the senior executive vice president level.

- **Assets and Liabilities Management Committee**

The Assets and Liabilities Management Committee is part of the Bank's market risk management framework. The Committee is chaired by the chairman of the Executive Committee. Other members include the president, senior executive vice presidents, and executive vice presidents in charge of lending, finance, treasury, risk management and SCB Economic Intelligence Center. The Committee is mainly responsible for strategies for managing liquidity risk, interest rate risk, and exchange rate risk to ensure that they are at the appropriate levels. The Committee also formulates strategy for balance sheet management to be adopted as guidelines for business operations, and ensures that the interest rate risk is at an appropriate level, as well as to approve the policy guidelines in management of accounting position for banking and the Bank's trading portfolios.

- **Global Investment Committee**

The Global Investment Committee is chaired by the chairman of the Executive Committee. Other members include the president, and senior executives in charge of finance, lending, deposits, investment, treasury and risk management. The Committee is responsible for seeking out investments, both local and international, that have high liquidity, for the Bank to gain long-term profit at the appropriate risk level. The Committee is also responsible for monitoring the status of invested funds in terms of asset value, expected return, risk, and liquidity, as well as to co-operate with other entities to consider the Bank's investment process.

- **Equity Investment Management Committee**

The Equity Investment Management Committee is chaired by the president. Other members include senior executives in charge of equity investment management and credit which is related to equity investment. The Committee is responsible for developing an equity investment plan consistent with overall policy relating to the Bank, in terms of business strategies and expected return, and for formulating strategy for supervising

and developing synergy in doing business with portfolio companies, as well as setting investment procedure, implementation, and human resource management related to investment.

- **People Development Committee**

The People Development Committee was established in early 2010 in order to set policy and strategy for human resources management and to superintend, follow-up, and review the implementation of such policy and strategy by various business units of the Bank.

This Committee is chaired by the chairman of the Executive Committee, while the president is the vice chairman of the Committee. Other members are persons in the position of senior executive vice president of the Bank.

The composition, functions, and responsibilities of the Board committees appointed by the Board of Directors and Management Committee are detailed in the "Corporate Governance" section of the Bank website (www.scb.co.th).

5.7 Roles, Duties, and Responsibilities of Board Members

The Board is committed to conducting itself in accordance with the highest standards of ethical behavior and with the law. The functions and responsibilities of the Board are as stipulated by laws, such as the Financial Institutions Act B.E. 2551, the Securities and Exchange Act B.E. 2535, the Public Company Limited Act B.E. 2535, Articles of Association, and shareholder resolutions. Details of the functions and responsibilities of the Board can be viewed on the Bank's website, www.scb.co.th, under "Corporate Governance", re The Board Charter.

5.8 Board Meetings

The Board Charter requires that there be not fewer than six Board meetings per year, with dates scheduled in advance for the entire year. Special meetings are convened as necessary. The chairman of the Board, the chairman of the Executive Committee, and the president co-operate in selecting and setting agendas. Other directors also have the right to propose agenda items. Principal meeting agendas involve consideration of the Bank's strategic direction, annual business plan and budget, quarterly, semi-annual, and annual financial reports, progress of the Change Program, significant credit and debt restructuring matters, significant acquisition and disposal of major assets, key organization and management changes, risk management, and reports from Board Committees. The relevant senior executives will also make presentations at the meeting to provide additional information on matters under consideration. The chairman of the Board allocates sufficient time for management to clearly present matters to enable all directors to prudently discuss issues.

The company secretary ordinarily prepares and circulates the agenda and relevant documents at least seven days before each meeting to allow Board members sufficient time to consider the issues. The company secretary records the minutes, and proposes the draft to all directors for consideration. Drafts are ordinarily distributed to Board members before the minutes are adopted at the next meeting, and are kept for scrutiny by Board members and other concerned parties.

In addition, the Bank also arranges a special outside "Board Retreat" at least once a year, to consult and discuss significant and specific Bank matters, and a non-executive directors' meeting every six months.

In 2010, there were 11 Board meetings (including two Board Retreats) and two non-executive directors' meetings. Details of each meeting in 2010 are shown in Table 2.

Table 2: Details of Director Attendance Records in 2010

Name	The Board of Directors	The Executive Committee	The Audit Committee	The Nomination and Corporate Governance Committee ¹	The Compensation Committee ¹	The Nomination, Compensation, and Corporate Governance Committee ¹	The Corporate Social Responsibility Committee	The Annual General Meeting
1. Mr. Anand Panyarachun	11/11						9/9	1/1
2. Dr. Vichit Suraphongchai	10/11	31/31					7/9	1/1
3. Mr. Maris Samaram	11/11		15/15					1/1
4. Dr. Chirayu Isarangkun Na Ayuthaya	11/11						8/9	1/1
5. Mr. Chumpol NaLamlieng	10/11			4/4	5/5	3/3		1/1
6. Khunying Jada Wattanasiritham	10/11	30/31					8/9	1/1
7. Mr. Sumate Tanthuwani	11/11		14/15					1/1
8. Assoc. Prof. Dr. Kulpatra Sirodom	11/11		14/15					1/1
9. M.R. Disnadda Diskul	10/11						7/9	1/1
10. Prof. Vicharn Panich, MD	11/11						8/9	1/1
11. Mr. John William Hancock	10/11			4/4	5/5	3/3		1/1
12. Miss Supa Piyajitti	11/11			3/4		3/3		1/1
13. Mr. Robert Ralph Parks ²	7/9			2/2		2/3		1/1
14. Mrs. Kannikar Chalitaporn	11/11	31/31					8/9	1/1
15. Mr. Bodin Asavanich	11/11	25/31						1/1
16. Dr. Areepong Bhoocha-Oom ³	5/5				2/2			1/1

Remarks:

- The Board of Directors resolved to approve the merger of the "Nomination and Corporate Governance Committee" and the "Compensation Committee" to form the "Nomination, Compensation, and Corporate Governance Committee", with effect from 22 September 2010. The Committee comprises Mr. Chumpol NaLamlieng as chairman and Mr. John William Hancock, Miss Supa Piyajitti, and Mr. Robert Ralph Parks as members.
- Mr. Robert Ralph Parks was appointed a director on 23 March 2010 and a member of the Nomination and Corporate Governance Committee on 20 April 2010.
- Dr. Areepong Bhoocha-oom resigned as a director and member of the Compensation Committee on 2 June 2010.

5.9 Board and Senior Executive Assessment

• Board Assessment

Board assessment is divided into three parts covering: 1) self assessment of individual Board members, 2) assessment of the chairman of the Board, and 3) assessment of the Board as a whole. The company secretary is assigned to send assessment forms and to gather those forms for delivery to the chairman of the Nomination, Compensation, and Corporate Governance Committee for consideration, as per the Board's charter. The results are discussed at a Board meeting. Details of the process are available on the Bank's website (www.scb.co.th) under "Corporate Governance".

The Board assessment is undertaken every two years. Recommendations resulting from the Board assessment have been adopted for improving the effectiveness of Board performance to the optimal benefit of the Bank's good corporate governance. In 2010 the Bank has enhanced the Board assessment form to be consistent with the principles of Internal Capital Adequacy Assessment Process (ICAAP) on the advice of an external consulting firm, which increases the coverage of governance practices to be more international.

• Senior Executive Assessment

The Nomination, Compensation, and Corporate Governance Committee is responsible for performance assessment of the chairman of the Executive Committee, president, and other senior executives on an annual basis. Regarding the performance assessment of the chairman of the Executive Committee and the president, the said Committee has the duty to review the targets and performance criteria, to monitor and assess the performance, and to propose assessment results to the Board of Directors for consideration.

As for the performance assessment of other senior executives, management will set up the key performance indicators following the goal and strategy for each year, monitor and assess the performance, and propose assessment results to the Nomination, Compensation, and Corporate Governance Committee for consideration. The Committee will then propose the results to the Board of Directors for considering appropriate remuneration and other benefits. The Board has assigned the Nomination, Compensation, and Corporate Governance Committee responsibility for performance assessment of the chairman of the Executive Committee, president, and other senior executives on an annual basis. The Nomination, Compensation, and Corporate Governance Committee has the duty to review the targets and performance criteria of the chairman of the Executive Committee and the president for approval by the Board of Directors, and propose performance results compared with targets and performance criteria to the Board of Directors for considering appropriate remuneration and other benefits.

5.10 Procedure for Nomination of Directors and Executives

The Nomination, Compensation, and Corporate Governance Committee has the duty to screen and propose to the Board qualified candidates to serve as directors and members of Board committees. The Committee's recommendations are based on the candidates' knowledge, capabilities, and past experience required to meet the Bank's requirements in filling vacant positions. The Nomination, Compensation, and Corporate Governance Committee will consider a list of candidates proposed by shareholders and by individual directors and, after scrutiny to ensure their qualifications are in compliance with the related laws and regulations, make recommendations to the Board. After the Board acknowledges a candidate, management will seek approval from the Bank of Thailand prior to proposing the candidate to the Board and the shareholders for approval.

The Nomination, Compensation, and Corporate Governance Committee is responsible for screening executive positions at the levels of: chairman of the Executive Committee; president; senior executive vice presidents; and executive vice presidents reporting directly to the president. The Nomination, Compensation, and Corporate Governance Committee is thus responsible for proposing screened nominees to the Board of Directors for its approval. After approval by the Board, management will seek approval from the Bank of Thailand prior to the appointment process.

5.11 Succession Planning

The Board assigned the Nomination, Compensation, and Corporate Governance Committee to be responsible for succession planning to ensure that the Bank has an appropriate succession plan in place for the key positions.

• Succession plan for the positions of chairman of the Executive Committee and president

In 2010, the Board and the Nomination, Compensation, and Corporate Governance Committee addressed the succession plan for the positions of chairman of the Executive Committee and president in Board meetings and on other occasions, including identifying potential future leadership.

• Succession plan for senior executive and key management positions

In 2010, the Nomination, Compensation, and Corporate Governance Committee endorsed the search procedure, succession plan, and competency criteria for senior executive and key management positions that were proposed by management. The Committee will monitor and review progress of the plan on a regular basis.

The succession planning procedures adopted by management for senior executive and key management positions are as follows:

- Identifying the position for which a succession plan is required and the competency criteria.
- Identifying candidates for the successor pool.
- Evaluating individual candidates in the successor pool in relation to the higher-level job profile, to identify strengths and development requirements.
- Forming a competency development plan to ready the candidates for the higher position
- Assessing competency and selecting the successor.

In 2010 the Nomination, Compensation, and Corporate Governance Committee proposed that the Board renew the employment contract of the president, Mrs. Kannikar Chalitaporn, whose tenure will end on 31 January 2011. The Board approved the renewal of the president's contract for four years until 31 January 2015.

5.12 Director and Management Remuneration

Board policy requires that remuneration of directors should be appropriate and reflect their duties and responsibilities to fulfill stakeholder expectations and comply with applicable laws and regulations. It is implicit that Bank directors must possess appropriate experience and qualifications and must receive appropriate remuneration corresponding to these contributions and responsibilities. The Nomination, Compensation, and Corporate Governance Committee is responsible for proposing remuneration of directors and members of Board committees to the Board for consideration and proposal to shareholders for annual approval.

• Remuneration of Board Members

The current Board remuneration was approved at the 2010 Annual General Meeting. The Board chairman receives a remuneration of Baht 1.8 million per year, and Board members receive Baht 1.2 million per year. This rate was adopted in 2000. In 2010, the Board of Directors, totaling 16 persons, received aggregate remuneration of Baht 18.83 million.

Furthermore, at the 2009 Annual General Meeting of Shareholders, shareholders approved the payment of a directors' bonus at the rate of 0.5

percent of the dividend, and authorized the Board to determine how the bonus should be distributed. Shareholders approved a dividend payment of Baht 2.50 per share for 2009 operating results, for a total payment of Baht 8,498 million. Accordingly, the total directors' bonus for 2009 performance was Baht 42.49 million.

• Remuneration of Board Committee Members

Remuneration of the current Board committee members, based on the approval of the 2010 Annual General Meeting of Shareholders, was as follows:

Board of Directors *	Monthly Remuneration (Baht)	Meeting Allowance (Baht / Time)
Executive Committee		
Chairman	-	-
Non-Executive Members	150,000	-
Audit Committee		
Chairman	75,000	15,000
Members	50,000	10,000
Nomination and Corporate Governance Committee **		
Chairman	30,000	15,000
Members	20,000	10,000
Compensation Committee **		
Chairman	30,000	15,000
Members	20,000	10,000
Corporate Social Responsibility Committee		
Chairman	30,000	15,000
Members	20,000	10,000

Remark:

* Chairman of the Executive Committee, president, director and senior executive vice president, and group general counsel do not receive remuneration for serving on Board committees.

** The Board of Directors resolved to approve the merger of the "Nomination and Corporate Governance Committee" and the "Compensation Committee" to form the "Nomination, Compensation, and Corporate Governance Committee", with effect from 22 September 2010. The Bank will seek approval from the shareholders for the remuneration at the same rate as that of the previous Nomination, Compensation, and Corporate Governance Committee in 2007 as approved by the shareholders' meeting along the following lines:

- The chairman will receive monthly remuneration of Baht 60,000 per month and a meeting allowance of Baht 15,000 per meeting.
- Committee members will receive monthly remuneration of Baht 40,000 per month and a meeting allowance of Baht 10,000 per meeting.

In 2010, Board committee member, namely the members of the Executive Committee, the Audit Committee, the Nomination, Compensation, and Corporate Governance Committee (inclusive of the prior Nomination and Corporate Governance Committee and the Compensation Committee), and the Corporate Social Responsibility Committee received remuneration totaling Baht 11.95 million.

Individual remuneration is shown in Table 3.

• Remuneration of Senior Management

The Nomination, Compensation, and Corporate Governance Committee is responsible for proposing the remuneration of senior management to the Board of Directors and in this respect to consider the appropriate remuneration according to the Bank's policy linking the Bank's operational results and each individual's performance result based on transparent criteria and the responsibilities of such executives. To the extent possible, such compensation should reflect relative compensation levels in the finance and banking marketplace for senior executives with similar capabilities and experience.

In accordance with the definition of the Securities and Exchange Commission, the word "executives" means "the executives at the senior executive vice president level and up including the executive of finance and accounting department". In 2010, according to that definition, the remuneration of

the relevant 12 executives was Baht 251.41 million. In accordance with the definition of the Bank of Thailand, the word "executives" means "the executives at the executive vice president level and up". In 2010, according to that definition, the remuneration for the relevant 49 executives was Baht 569.17 million.

• Other Benefits for Directors and Executives

Directors are entitled to receive other benefits in accordance with the Bank's regulations, including medical welfare. International travel and related accommodation expenses are covered for non-resident foreign directors attending meetings in Thailand.

Senior management are also entitled to other benefits in the same manner as those of general staff, such as health insurance, life and accident insurance, travel expenses, and welfare loan services, including contributions to provident funds. In 2010, the Bank's provident fund contribution to senior management at the senior executive vice president level and up, including the executive of finance and accounting department according to the definition of the Securities and Exchange Commission, (nine persons) was Baht 7.51 million, and at the executive vice president level and up including the executive of finance and accounting department, according to the definition of the Bank of Thailand, (46 persons) was Baht 21.20 million.

Table 3: Details of Individual Remuneration in 2010.

Unit: Million Baht

Name	The Board of Directors	The Executive Committee	The Audit Committee	The Nomination and Corporate Governance Committee	The Compensation Committee	The Nomination, Compensation, and Corporate Governance Committee ¹⁾	The Corporate Social Responsibility Committee	The Directors' Bonus for 2009 Operations
1. Mr. Anand Panyarachun	1.80						0.33	3.98
2. Dr. Vichit Suraphongchai	1.20							2.65
3. Mr. Maris Samaram	1.20		1.14					2.65
4. Dr. Chirayu Isarangkun Na Ayuthaya	1.20						0.48	2.65
5. Mr. Chumpol NaLamlieng ¹⁾	1.20			0.21	0.34	0.14		2.65
6. Khunying Jada Wattanasiritham ²⁾	1.20	1.80					0.32	2.65
7. Mr. Sumate Tanthuwani	1.20		0.75					2.65
8. Assoc. Prof. Dr. Kulpatra Sirodom ³⁾	1.20		0.75					1.33
9. M.R. Disnadda Diskul	1.20						0.31	2.65
10. Prof. Vicharn Panich, MD	1.20						0.32	2.65
11. Mr. John William Hancock ¹⁾	1.20			0.32	0.22	0.10		2.65
12. Miss Supa Piyajitti ^{1),4)}	1.20			0.20		0.10		2.00
13. Mr. Robert Ralph Parks ^{1),5)}	0.93			0.12		0.09		
14. Mrs. Kannikar Chalitaporn	1.20							2.65
15. Mr. Bodin Asavanich	1.20							2.65
16. Mr. Tiraphot Vajrabhaya ⁶⁾								1.33
17. Mr. Peter Seah Lim Huat ⁷⁾								2.00
18. Mrs. Puntip Surathin ⁸⁾								2.24
19. Mr. Sanit Rangnoi ⁸⁾								2.24
20. Dr. Areepong Bhoocha-Oom ⁹⁾	0.50				0.12			2.22
Total	18.83	1.80	2.64	0.85	0.68	0.43	1.76	42.49

Remarks:

- 1) The Board of Directors resolved to approve the merger of the "Nomination and Corporate Governance Committee" and the "Compensation Committee" to form the "Nomination, Compensation, and Corporate Governance Committee", with effect from 22 September 2010 at the same rate of remuneration. The Committee comprises Mr. Chumpol NaLamlieng as chairman, Mr. John William Hancock, Miss Supa Piyajitti, and Mr. Robert Ralph Parks as committee members.
- 2) Khunying Jada Wattanasiritham also received a remuneration for her position in the Bank's subsidiary in the amount of Baht 1.37 million.
- 3) Assoc. Prof. Dr. Kulpatra Sirodom was appointed by the Board of Directors as an independent director and a member of the Audit Committee in place of Mr. Tiraphot Vajrabhaya on 19 June 2009.
- 4) Miss Supa Piyajitti was appointed by the Annual General Meeting of Shareholders no. 186 as an SCB director on 3 April 2009.
- 5) Mr. Robert Ralph Parks was appointed by the Board of Directors as a director on 23 March 2010 and a member of the Nomination and Corporate Governance Committee on 20 April 2010.
- 6) Mr. Tiraphot Vajrabhaya resigned as a director on 18 June 2009.
- 7) Mr. Peter Seah Lim Huat resigned as a director and a member of the Compensation Committee on 1 October 2009.
- 8) Mrs. Puntip Surathin and Mr. Sanit Rangnoi resigned as directors on 20 January 2009.
- 9) Dr. Areepong Bhoocha-Oom resigned as a director on 2 June 2010.

5.13 Director and Executive Development

The Bank considers the development of directors and managers to be important, and has set a policy to encourage learning activities for them. The Bank encourages its directors to attend courses or join activities aimed at enhancing their performance on the Board and its committees. Such activities are organized by the Thai Institute of Directors, Stock Exchange of Thailand, and Securities and Exchange Commission. The Bank always keeps directors informed of training courses well in advance. Thirteen directors have participated in various Thai Institute of Directors' director programs as per the details shown on page 205.

Executive development is aimed at building competency and integrity through enhancing skills, knowledge, and professional and management capabilities that are aligned with the Bank's strategic plan and policies to achieve world class competitiveness and business excellence.

Executive development is undertaken on a continuing basis through the Executive Development Program. Sponsorship is available for courses in local and foreign universities on banking, people management, and leadership. Special meetings and seminars are held regularly on such themes as the Change Forum, and Leadership Retreat. Importance is given to network and team building along with skills and knowledge development to ready the Bank's executives for business challenges.

Attention is given to people building at all levels to increase competency through the employee development process and an environment that encourages learning, empowerment, and a path for career advancement. Comprehensive training programs are offered such as a training roadmap, coaching, and functional young talent programs, as well as self-paced training through an e-learning network. Sponsorship is available for advanced university degrees in Thailand and abroad.

The Bank arranged or sponsored a total of 249 in-house courses and 187 external courses in Thailand and abroad for executives and personnel. The average training for each employee was six days per year.

To promote integrity and ethical conduct, all employees are encouraged to attend dharma sermons and talks on various lifestyles by experts. Self-taught programs on professional ethics in banking are available on e-learning networks.

5.14 Director Orientation

The Bank holds orientation meetings for new board members. In these meetings, briefings on Bank vision, strategies, and key business targets and operations plans are given by the chairman of the Executive Committee, president, and senior executives. Important documents are also provided to new directors, including the Director's Manual, the Memorandum and Articles of Association of the Bank, and the Bank's latest Annual Report. The main areas of focus are roles and responsibilities of directors, policy statement on corporate governance, approval authorities, prohibitions under applicable laws, and roles and responsibilities of the Board committees.

Table 4 : Changes in Bank Shareholding or Debenture Holding of Directors and Senior Management

Name	Position	Amount of shares as at 31 December 2009	Amount of shares as at 31 December 2010	Changes increase/ (decrease)
1. Mr. Anand Panyarachun	Chairman of the Board, Independent Director, and Member of the Corporate Social Responsibility Committee	461,093 SCB	461,093 SCB	-
2. Dr. Vichit Suraphongchai	Director, Chairman of the Executive Committee, and Member of the Corporate Social Responsibility Committee	-	-	-
3. Mr. Maris Samaram	Independent Director and Chairman of the Audit Committee	-	-	-
4. Dr. Chirayu Isarangkun Na Ayuthaya	Director and Chairman of the Corporate Social Responsibility Committee	-	-	-
5. Mr. Chumpol NaLamlieng	Independent Director and Chairman of the Nomination, Compensation, and Corporate Governance Committee	-	-	-
6. Khunyng Jada Wattanasiritham	Independent Director, Member of the Executive Committee, and Member of the Corporate Social Responsibility Committee	-	-	-
7. Mr. Sumate Tanthuwani	Independent Director and Member of the Audit Committee	51,953 SCB	51,953 SCB	-
8. Assoc. Prof. Dr. Kulpatra Sirodom	Independent Director and Member of the Audit Committee	-	-	-
9. M.R. Disnadda Diskul	Director and Member of the Corporate Social Responsibility Committee	-	-	-
10. Prof. Vicharn Panich, MD	Independent Director and Member of the Corporate Social Responsibility Committee	-	-	-
11. Mr. John William Hancock	Independent Director and Member of the Nomination, Compensation, and Corporate Governance Committee	1,000 SCB	1,000 SCB	-
12. Miss Supa Piyajitti	Director and Member of the Nomination, Compensation, and Corporate Governance Committee	-	-	-
13. Mr. Robert Ralph Parks	Independent Director and Member of the Nomination, Compensation, and Corporate Governance Committee	-	-	-
14. Mrs. Kannikar Chalitaporn	President, Member of the Executive Committee, and Member of the Corporate Social Responsibility Committee	43,000 SCB	43,000 SCB	-
15. Mr. Bodin Asavanich	Director, Member of the Executive Committee, and Senior Executive Vice President, Group General Counsel	580 SCB	580 SCB	-
16. Mr. Deepak Sarup	Senior Executive Vice President, Change Program and Chief Financial Officer	-	-	-
17. Mr. Sirichai Sombutsiri	Senior Executive Vice President, Business Banking Group	-	-	-
18. Mr. Yokporn Tantisawetrat	Senior Executive Vice President, Chief Risk Officer	9,434 SCB	9,434 SCB	-
19. Mr. Yol Phokasub	Senior Executive Vice President, Retail Banking Group	10 SCB	10 SCB	-
20. Mr. Na Bhengbhasang Krishnamra	Senior Executive Vice President, Sales & Service Division, Retail Banking Group	96,719 SCB	96,719 SCB	-
21. Mr. Arthid Nanthawithaya	Senior Executive Vice President, Corporate Banking Group	-	-	-
22. Mr. Sarunthorn Chutima	Senior Executive Vice President, Special Assets Group	2,320 SCB 3,030 SCB-P	2,320 SCB 3,030 SCB-P	-
23. Mr. Krieng Wongnongtaey	Executive Vice President, Financial Reporting & Controls Division	-	-	-

Remarks: SCB = SCB Ordinary Shares

SCB-P = SCB Preferred Shares

No Bank directors had direct or indirect interest in any contract made by the Bank.