

The 2012 Annual Gereral Meeting of Shareholders

The Board recognizes the critical importance of corporate governance (CG) in the Bank's pursuit of sustainable and profitable growth, creating long-term shareholder value, and securing the trust of all stakeholders, including shareholders, customers, employees and the community. As a result the Board consistently adheres to good corporate governance principles and practices. These practices have contributed to the Bank's financial success over the past decade, and won recognition from several organizations including the "Best CG Report" award for the fourth consecutive year from the Stock Exchange of Thailand (SET Awards 2013) and the "Corporate Governance Asia Recognition Award" for the seventh consecutive year from Corporate Governance Asia. In the 2013 CG assessment results announced by the Thai Institute of Directors (IOD), the Bank was recognized as an organization with excellent corporate governance practices and for its continuous development of such practices over the past nine years, from 2005 to 2013. Also, the Thai Investors Association awarded the Bank a 'full' score of 100 points for the fourth consecutive year in its assessment of shareholders' meetings (from 2010-2013).

As part of the Bank's commitment to sustainable development, SCB supports the efforts of Thai society in promoting and adhering to the principles of the 'Sufficiency Economy' philosophy. As a financial institution, the Bank recognizes the importance and applicability of the Sufficency Economy principles of risk management, balance, reasonableness, ethics, and knowledge management in both forming business strategy and conducting everyday operations. Indeed, these principles are the bedrock by which corporate governance is implemented at the Bank, as further highlighted in SCB's first Sustainability Report, published this year together with the Annual Report.

Corporate Governance Policy

The Board has assigned the Nomination, Compensation and Corporate Governance Committee to formulate the Corporate Governance Policy and monitor compliance with the Policy. The Committee also reviews and revises the Policy to ensure that it is appropriate and in line with the guidelines issued by supervisory authorities, as well as with internationally accepted standards for corporate governance. The Bank's Corporate Governance Policy encompasses the following:

1) The Policy requires that Bank must have in place a clear vision, mission and code of conduct governing practices of the directors, managers and employees of the Bank. The Board has approved the Bank's vision to serve as **"The Bank of Choice for Our Customers, Shareholders, Employees and Community,"** as well as the Bank's mission of becoming **"The Best Universal Bank in Thailand"**.

2) The Policy formalizes, among others, the structure, inclusive of roles and responsibilities, composition, and tenure of members, of the Board and the Board committees, the Board's meeting procedure, nomination and appointment of members of the Board, orientation for the Board's new members, the holding of positions by the directors in other companies, separation of position and roles among the chairman of the Board, the chairman of Executive Committee and the president, remuneration of directors and persons with authority to manage its operations, assessment of performance of the Board and persons with authority to manage its operations, succession planning, and roles and functions of the company secretary.

3) The policy enumerates the rights and treatment of stakeholders (shareholders and other stakeholders) in terms of arrangement of shareholders' meetings, dividend payments, and transparency through disclosure of information.

4) The Policy restricts the use of confidential and non-public information by directors and employees and specifies rules governing connected transactions, conflict of interest, and conflict-of-interest reporting.

In this regard, the Corporate Governance Policy is publicly disclosed and available on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," and then "Corporate Governance Policy."

2013 Corporate Governance

The Bank's corporate governance practices in 2013 were as follows:

1. Rights of Shareholders

The Bank has complied with its Corporate Governance Policy with the aim of ensuring that shareholders enjoy their rights and exercise such rights in an equitable manner, such as buying or selling shares, receiving dividends and receiving adequate, timely and complete information about the Bank through easily accessible channels. In addition, shareholders are entitled to take part in material business decisions, e.g., payment of dividends, appointment and removal of directors, determination of directors' remuneration, appointment of auditors, determination of audit fees, amendment to provisions of the Memorandum and Articles of Association, and approval for special transactions (if any) (e.g., capital increase or reduction, acquisition or disposal of assets, or connected transactions.) The shareholders may cast their votes on the aforesaid matters according to details provided in the Notice of the Annual General Meeting of Shareholders or, if applicable, the Extraordinary General Meeting. The principles adopted by the Bank in respect of treatment of shareholders are shown in detail on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," "Corporate Governance Policy," and then "Rights and Treatment of Stakeholders."

1.1 Shareholders' Meeting

In 2013, the Bank held its Annual General Meeting of Shareholders (AGM) No. 190 on 4 April 2013. The Bank conducted the proceedings in a manner to ensure that the shareholders were able to exercise their rights in accordance with law, relevant regulations and good governance practices.

1) The Bank ensures that shareholders receive clear and adequate information, have sufficient time to consider agenda items of the AGM, and are able to easily access the Notice of the AGM and its accompanying documents. To this end, the Bank posted the Notice of the AGM and proxy forms both in Thai and English on its website 31 days prior to the meeting date. Then, the Notice of the AGM, in both in Thai and English, together with the 2012 Annual Report (in CD-ROM format) was sent via post to shareholders 14 days in advance of the meeting date. The aforesaid Notice of the AGM contained information such as date, time and venue of the meeting, and details of each agenda item (including factual background, rationale, and opinions or recommendations of the Board) as well as accompanying documents, including details of meeting procedures, voting and proxy appointments. Furthermore, the Bank posted the Notice of the AGM on bulletin boards at its head office and all its branches. The Meeting Notice was also advertised for three consecutive days in newspapers at least three days prior to the date of the AGM. Shareholders were entitled to receive the printed 2012 Annual Report before the date of the meeting from the company secretary upon request.

2) To encourage participation of all shareholders (individuals, juristic persons and institutional investors) to attend the AGM and exercise their rights in an equitable manner, the Bank delivered the Notice of the AGM together with the Proxy Form B to the shareholders for the appointment of proxies to attend the meeting on their behalf in the event that the shareholders were unable to attend the AGM in person. Furthermore, institutional investors such as fund managers or custodians were invited to nominate their representatives to attend the meeting and, for their convenience, the Bank assigned officers to check the required documents in advance of the meeting.

3) To facilitate attendance by all shareholders and proxy holders, the AGM was held on a working day at the Bank's head office. On the meeting day, the registration counters were open two hours prior to the meeting time to facilitate procedural document checks and registration. The Bank's meeting registration service made use of a bar code system whereby different counters were set up for each shareholder by type, i.e., individuals, juristic persons, and fund managers or custodians. For efficiency and convenience, the Bank allocated to each shareholder or proxy holder the ballots bearing the same bar code as their registration bar code for voting on each agenda item. The meeting registration remained open to shareholders during the meeting, allowing shareholders to register and attend the meeting at any time and vote on any remaining agenda item.

4) During the meeting, the chairman of the Board presided as the chairman of the meeting and all 16 directors of the Bank attended the meeting together with the Bank's senior executives and the external auditors in order to clarify and respond to the questions or issues raised by shareholders or their proxies. Prior to proceeding in accordance with the meeting agenda, the company secretary informed the meeting of the voting procedure for each agenda item. Holders of the Bank's ordinary and preferred shares including the proxy holders who attended the meeting were entitled to cast their votes based on the one-share-one-vote rule. In order to increase the efficiency and speed of the voting process, only the ballots for disapproval and abstention votes were collected. Voting and ballot counting were conducted openly and a bar code system and personal digital assistant (PDA) were employed in tabulating and reporting votes. SCG Legal Counsel Limited was assigned by the Bank to review and inspect the validity of the proxy appointments, adequacy of quorum, and tabulation and reporting of votes. As a result, the voting results for each agenda item were reported to the meeting in a timely, accurate and transparent manner.

5) Multimedia presentations were shown at the meeting including Year 2012 performance highlights and a brief summary of the 2013 business strategies. The chairman of the meeting allowed shareholders the opportunity to ask questions and/or make recommendations on an equitable treatment basis and provided comprehensive responses to all questions or issues raised. The directors and management jointly replied to shareholders' questions and clarified issues. Minutes of the meeting and votes cast under each agenda item were recorded by the company secretary. Additionally, the meeting proceeded in accordance with the announced agenda, and the Bank did not switch, add, or revise any agenda items or modify previously issued information during the meeting.

6) Immediately following the meeting, the resolutions adopted were posted in both Thai and English on websites of the Stock Exchange of Thailand and the Bank. Such disclosure was made in compliance with applicable requirements prescribing that the AGM resolutions must be posted at least one hour in advance of trading hours of the Stock Exchange of Thailand. In addition, the minutes of the AGM in Thai and English were submitted to the Stock Exchange of Thailand and made available on the Bank's website within 14 days following the meeting to allow shareholders early access and for all other stakeholders to note and study the Bank's AGM proceedings. The minutes were available for future reference, and each

material matter proposed at the meeting was recorded in these minutes. These material matters included the name list of directors and senior executives who attended the meeting, the voting procedure, abstracts of the questions and issues raised and the answers or clarifications provided by the Board and senior executives, the resolutions reached together with the number of approval, disapproval and abstention votes.

1.2 Dividend Payment

The Bank has a dividend policy that provides guidance that dividend payout will usually be in the range of 30-50% of its consolidated annual net profit and such payout would take into account the long-term return to all shareholders. Dividends will be considered in any year where the Bank, after deduction of all statutory and other reserves, posts a profit provided that there are no accumulated losses and the Bank is able to maintain adequate capital funds in compliance with the regulatory requirements as well as the need to preserve capital for near-term business needs. The interim dividends and annual dividends will be paid within 30 days after the date the dividend payment is approved by the Board or the shareholders' meeting.

At the AGM No. 190 held on 4 April 2013, the meeting resolved to approve the dividend payment from the Bank's 2012 operating results to holders of the Bank's preferred and ordinary shares at the rate of Baht 4.50 per share, equivalent to a total of Baht 15,296 million or approximately 38.0% of the 2012 net profit according to the Bank's consolidated financial statements. The dividend payment for 2012 was paid as follows:

1) The Board in its meeting No. 9/2012 dated 28 August 2012 resolved to approve an interim dividend payment at the rate of Baht 1.00 per share to holders of the Bank's preferred and ordinary shares. The interim dividends were paid to holders of the Bank's preferred and ordinary shares on 21 September 2012 (24 days from the date of approval for the interim dividend payment by the Board); and

2) The final dividend was paid at the rate of Baht 3.50 per share to holders of the Bank's preferred and ordinary shares on 3 May 2013 (29 days from the date of approval for the dividend payment by the shareholders' meeting).

1.3 Communication among the Bank's Shareholders

The Bank does not seek to prevent communication among its shareholders. Shareholders may freely share information and request a copy of the name list of the Bank's shareholders from the Ministry of Commerce.

2. Equitable Treatment of Shareholders

As stipulated in the Bank's Corporate Governance Policy, all shareholders, i.e., major, minor, institutional and foreign shareholders, are entitled to common shareholder rights and to be treated on an equitable and fair basis. The principles of equitable treatment of shareholders to which the Bank has adhered are provided on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," "Corporate Governance Policy," and then "Rights and Treatment of Stakeholders."

2.1 Invitation to Shareholders to Propose Agenda Items, Candidates for Directorship and Questions in Advance of Shareholders' Meeting

The Bank's shareholders are invited to propose matters to be included as meeting agenda items, qualified candidates for directorship, and questions in advance of the shareholders' meeting based on the criteria announced on the Bank's website. Such proposals and questions are to be submitted to the company secretary via post or e-mail (at company_secretary@scb.co.th). The Nomination, Compensation and Corporate Governance Committee will consider the shareholders' proposals prior to submission to the Board for further consideration. The decision on the proposal will be notified to the concerned shareholders for acknowledgment. Any proposals that are accepted will be included in the agenda at the next AGM.

The Bank invited shareholders to propose agenda items, candidates for directorship, and questions for the 2013 AGM three months prior to the end of the Bank's accounting period, i.e., between 1 October and 31 December 2012.

2.2 Proxy Appointments for Shareholders' Meeting

To promote shareholders' rights, the Bank has made available at each shareholders' meeting three types of proxy forms (Form A, Form B and Form C) as determined by the Department of Business Development, Ministry of Commerce, in order that shareholders who cannot attend a shareholders' meeting in person may appoint proxies to attend the meeting on their behalf and exercise their rights as shareholders.

At the 2013 AGM, the Proxy Form B, which indicates specific details of a proxy appointment, were delivered to shareholders together with the Notice of the Annual General Meeting of Shareholders. Shareholders were provided with an additional option of appointing as their proxies one of two independent directors of the Bank who did not have any conflict of interest in the relevant agenda items of the AGM. In this regard, shareholders were supplied with complete biographical details of these independent directors. The shareholders were able to appoint either one of the two independent directors or any other person of their choosing as their proxy. In addition, shareholders were able to download Proxy Form A and Proxy Form C from the Bank's website for their use as and when applicable.

2.3 Ballots for Shareholders' Meeting

In the 2013 AGM, ballots were used for voting on every agenda item, but only the ballots of disapproval and abstention votes were collected. In order to ensure that the voting process was efficient, accurate, speedy and verifiable, a bar code system and PDA were employed in tabulating votes. Prior to proceeding in accordance with the meeting agenda, the company secretary informed the meeting of the voting and vote tabulation procedures. In addition, the ballots cast for each agenda item were retained for future examination.

2.4 Election of Director on an Individual Basis

At every AGM, one-third of the directors retire by rotation; and at the 2013 AGM six directors retired by rotation. The Bank arranged for shareholders to elect individual directors to replace the outgoing directors by casting their votes. Similar to voting on other agenda items, only disapproval and abstention ballots were tabulated. The AGM minutes show the voting results for each director appointed by the shareholders in 2013.

2.5 Determination of Directors' Remuneration

As stipulated in the Bank's Articles of Association, a director is entitled to receive remuneration from the Bank, namely through gratuities, meeting allowances, rewards, bonuses or any other nature of interests pursuant to the consideration of the shareholders' meeting. The Nomination, Compensation and Corporate Governance Committee is assigned by the Board to recommend directors' remuneration to the Board and to seek approval from the shareholders' meeting on an annual basis. The Board has set as a policy that directors' remuneration should be appropriate and commensurate with directors' scope of duties and responsibilities; to be comparable to other major listed companies and commercial banks; and to be in line with prevailing business conditions and trends.

2.6 Internal Control

The Board recognises the need to prevent the use of confidential and non-public information for inappropriate gains by directors, executives and employees. To this end, the Board has established the Corporate Governance Policy and procedures for handling connected transactions in order to prevent conflict of interest and require disclosure of connected interest in compliance with

regulatory requirements. Relevant details are published on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," "Corporate Governance Policy" and then "Internal Control," and can be summarized as follows:

1) Internal Controls over the Use of Inside Information by Directors and Employees: The Board has formulated comprehensive guidelines for the disclosure of information, the prevention of conflict of interest and the inappropriate or illegal use of non-public information, as summarized below:

   - Establishing a code of conduct for directors and employees, covering such matters as the use of non-public information and the requirement to maintain confidentiality of customer information. This code of conduct has been disseminated to directors, executives and staff, and strict compliance is expected.
   - Establishing regulations governing securities trading by directors, executives and employees that prohibit insider trading. These regulations also apply to related parties of directors, executives and employees.
   - Imposing non-trading periods on directors, executives and employees involved in the preparation of financial statements, prohibiting them from trading the Bank's securities and securities which have SCB ordinary shares as underlying assets during the 14-day period preceding the announcement of quarterly, semi-annual and annual financial statements.
   - Requiring directors and persons with management authority (as defined in the Securities and Exchange Act, B.E. 2535 (A.D. 1992)) to disclose information on their shareholdings and trading in the Bank's securities and securities having the Bank's ordinary shares as underlying assets to the Bank and the Office of Securities and Exchange Commission within three working days. The company secretary is responsible for compiling reports on shareholding changes and including these reports as a regular agenda item at Board meetings.
   - Establishing regulations against the use of non-public information in order to prevent leakage of confidential and/or non-public information of the Bank and/or its customers as well as to prevent use of inside information by persons having access to such information for personal gain or benefit of others. In this regard, the Bank has assigned the Compliance and Operational Control Division to monitor securities trading of persons with access to non-public information to ensure compliance with relevant regulations.

2) Internal Control for Connected and Conflict-of-Interest Transactions: The Bank's policy and guidelines regarding the approval process and engagement in connected or conflict-of-interest transaction is as follows:

   - To strictly follow the regulations and notifications of the Stock Exchange of Thailand, the Securities and Exchange Commission and the Capital Market Supervisory Board governing connected transactions and conflict-of-interest transactions whereby directors and executives are prohibited from participating in the consideration of any matter in which they might have an interest. The company secretary takes notes of their related interests in the minutes of the meeting.
   - To set a pricing policy and conditions for related-party transactions to ensure that such pricing and conditions are in line with those of other regular business (Arm's Length Principle).
   - To require that the Board alone (excluding directors with connected interest) is vested with the authority to consider and approve credit facilities, investment, contingent liabilities or credit-like transactions between the Bank and its major shareholders or businesses related to the Bank, directors, or persons with management authority or their related parties (as defined in the Financial Institutions Business Act, B.E. 2551 (A.D. 2008))

Detailed information regarding transactions between the Bank and related parties during the year is provided in this Annual Report.

3) Conflict-of-Interest Report

   The Bank requires directors and persons with management authority (as defined in the Financial Institutions Business Act, B.E. 2551 (A.D. 2008)) to report to the company secretary on a quarterly basis any conflict of interest arising for themselves and their related parties as well as changes to any existing reported items. The company secretary collects and submits such reports to the chairman of the Board and the chairman of the Audit Committee in compliance with the Securities and Exchange Act, B.E. 2535 (A.D. 1992). This information is further used by the Bank for monitoring transactions between the Bank and directors, persons with management authority, and/or their related parties in accordance with legal requirements.

   Finally, the Bank requires the appointment of an independent adviser (if a connected transaction exceeds certain pre-determined thresholds) whose role is to provide an opinion on connected transactions, particularly as it relates to the acquisition or disposal of significant assets of the Bank and its subsidiaries, merger or any other transactions as prescribed by law. The Board has assigned the Audit Committee to review the procedures and oversight of all material transactions to ensure that they are compliant with applicable laws and/or regulations.

3. Role of Stakeholders

3.1 Treatment of Stakeholders

As one of the largest organizations within the Kingdom, with a long heritage of service to the country as the first Thai bank, the Bank recognizes that it needs to respond to the interests of a broad range of stakeholders. This is made explicit in the Bank's vision 'to be the Bank of Choice for our Customers, Shareholders, Employees and the Community.' This issue is covered in more detail within the Sustainability Report. The essence is summarized below:

Customers: The Bank exists to serve its customers, who encompass almost the entire spectrum of Thai society. For all of them, the Bank aspires to provide a full range of products and services and to service their needs through using branch, electronic and direct channels. The overriding aim is for the Bank to be viewed as the main financial services partner for customers through reliable services, innovative products and trustworthy conduct. The Bank measures its success through regular customer surveys and by consistently attaining a market-leading score.

Shareholders: The Bank's existance is made possible by the capital contributions of a large number of shareholders. To all of them the Bank aspires to provide transparent and market-leading disclosure, parity of treatment, and an above industry-average sustainable return on equity. Today, its success in this context is evident from the Bank maintaining the highest market capitalization across the Thai financial services sector.

Employees: Employees will always remain the Bank's most valuable asset, and the recruitment, retention and development of employees is central to the Bank's business strategies. Employee interests are addressed through market-based compensation practices, skill-enhancement programs, career advancement opportunities and a range of employee benefits. Equally, the Bank actively supports diversity in the workforce and prohibits any discrimination based on gender, age, religious belief or disability. The Bank allows employees to exercise their right to join labour unions and encourages all employees to suggest ideas for improving the Bank's policies, practices, products, procedures and services. As with customers, the Bank conducts regular employee

engagement surveys and benchmarks the results against global databases, with the target of scoring in the top 10% of this global database.

Community (including business partners, competitors, creditors and suppliers): the Bank aspires to be a model corporate citizen in Thailand. To that end it: behaves in an ethical and transparent way with competitors and business partners; honors its obligations and covenants toward creditors and suppliers; follows transparent procurement practices that will ensure that procurement is transparent and free from corruption and; does not participate in activities that might be detrimental to Thai society or the quality of life of its residents. Further, SCB recognizes and supports the Universal Declaration of Human Rights and ensures that its business activities, particularly lending, are conducted so that the tenets of this Declaration are observed.

Moreover, to express our willingness on the implementation of anti-corruption efforts, we have participated in the "Declaration of Intent" as promoted by the Thailand's Private Sector Collective Action Coalition Against Corruption. To reach that goal, the Bank is in the process of formulating its anti-corruption policy which will be further proposed to the Board for approval and implementation. The Bank is prepared to work in cooperation with all segments of the Thai society to foster cleaner business practices and strengthen ethical behavior in all business activities. Moreover, in 2013, we trained over 35% of our workforce on anti-money laundering to support our anti-corruption efforts.

Finally, the Bank has an active CSR program that encourages employee participation.

Environment: SCB abides with all applicable environmental laws and regulations and implements effective safety and environmental management measures to prevent negative impact on local communities. Further, SCB supports the conservation of natural resources and the environment through awareness-raising campaigns and programs to educate and engage staff, business partners, customers and other CSR networks in supportive programs and activities. The Bank increases internal energy-use efficiency by upgrading lighting and electronic systems, reduces use of paper through paperless forms and reports, and trims carbon emissions by recycling as well as by using less paper.

The Bank's implementation of environmental principles is further detailed in the Sustainability Report.

3.2 Contact Channels for Stakeholders

The Bank provides multiple channels for various groups of stakeholders to directly contact the relevant unit as follows:

- Customers and/or third parties can communicate with the Bank through staff at branches or relationship managers or through the Call Center at 0-2777-7777, or by writing to a senior executive of the Bank. All communications are tracked and usually responded to within a pre-determined period.
- Employees are informed that the Bank has multiple channels to accept complaints and reports of employee misconduct. Employees can voice their opinions and report on any unfair treatment, fraudulent activity or suspicion of misconduct directly to their supervisors or through other channels, anonymously if preferred, as follows:
    - SCB's Whistleblower Policy provides a channel through which employees can report complaints, fraud or non-compliance with the Bank's regulations, rules and code of conduct as well as unfair treatment they might have suffered. The aim is to ensure the Bank's adherence to its principles of transparency and corporate governance. To report complaints, fraud or non-compliance, any employee can submit an e-mail to whistleblower@scb.co.th or a letter to the chief audit and compliance officer, Audit and Compliance Group, who is the secretary to the Audit Committee. A summary report on such matters raised is submitted to the Audit Committee on a quarterly basis.
    - Through the Ethics Hot Line at 0-2544-2500 employees can avail of consultation and make complaints about unethical practices or misconduct.
    - The HR Call Center at 0-2544-4444 is a channel for employees to make inquiries related to employment and/or benefits or to share opinions.
    - "Purple People Talk" is a channel through which employees can voice their opinions, report issues or consult with the head of Human Resources Group via e-mail (purple_talk@scb.co.th) in order to make SCB a great workplace.

It is the Bank's policy to protect the confidentiality and anonymity of employees reporting information or complaints in order to prevent retaliation or adverse effects on them. An independent, issue-specific investigation team is set up quickly by the Bank to investigate any issue and/or fraud complaint submitted by employees when warranted. If the grounds for a complaint are proven, the matter is escalated for disciplinary action in accordance with the following procedure:

- Employees submit opinions, reports, or fraud complaints via a range of channels, whereby they can choose to remain anonymous if they so wish, and the matter will be treated as confidential.
- The Working Team conducts a preliminary investigation. The progress will be reported to the informants if they have chosen to be identified.
- The Working Team submits well-grounded complaints and reports to relevant units in order to appoint an investigation committee according to the Bank's regulations or to the Fraud Management Division for further action.

The Bank takes action as deemed appropriate for each case without disclosing the sources of information to protect confidentiality of the informants.

Further, all stakeholders can raise complaints, or make suggestions or comments to the Board and management of the Bank through the following address:

- Board Secretariat and Shareholder Services - Company Secretary
  Board Secretariat and Shareholder Services
  The Siam Commercial Bank PCL,
  9 Ratchadapisek Road, Jatujak,
  Bangkok 10900
  Telephone: 0-2544-4221
  Fax: 0-2937-7931
  E-mail: company_secretary@scb.co.th

The Bank has established a clear policy and procedure for handling complaints from customers, employees and other stakeholders. All complaints received are kept confidential, investigated and resolved (as applicable) as well as reported to the Audit Committee and the Board.

4. Disclosure and Transparency

4.1 Disclosure Policy and Practice

The Bank's disclosure policy and procedures are incorporated within the Corporate Governance Policy and Investor Relations has been assigned the role and responsibility to provide disclosure of the Bank's information in accordance with the following principles:

1) Information to be disclosed must be accurate, adequate and clear as well as disclosed on a timely basis;
2) Disclosure must comply with all applicable rules and regulations;
3) Stakeholders including shareholders, investors, analysts and interested persons must have equal right of access to the information disclosed by the Bank; and

4) Information that could affect the price of the Bank's shares or influence investors' decisions or affect the rights of shareholders must be immediately disclosed to the public through the Stock Exchange of Thailand.

The Bank has designated officers and Investor Relations to be responsible for disclosure as well as maintaining the operating results disclosure schedule as specified in its Corporate Governance Policy. Audited annual financial statements are released within 60 days from the end of each financial year. Quarterly financial statements are disclosed together with the Management Discussion and Analysis (MD&A) to help investors better understand the Bank's operating results.

In addition, the Bank's Corporate Governance Policy requires directors and management to disclose their holdings of the Bank's shares. Changes in the holdings of the Bank's shares by directors and management in 2013 are shown in the "Report of Bank Ordinary Shareholding of Directors and Senior Management" in the Supplementary Information section of this Annual Report.

In 2013, disclosure activities undertaken by Investor Relations are summarized below:

Form of activity	Frequency (times)
One-on-one meetings/conference calls with investors and equity analysts	134
General meetings with equity analysts	3
Investor conferences	7
Global road shows	3

The Bank also regularly held press conferences and media events and issued press releases to publicize and promote its activities.

Interested persons can contact Investor Relations at:
Investor Relations,
The Siam Commercial Bank PCL, Head Office
9 Ratchadapisek Road, Jatujak, Bangkok 10900
Telephone: 0-2544-4358
Fax: 0-2544-2658
E-mail: investor.relations@scb.co.th
Website: www.scb.co.th

4.2 Investor Relations

Investor Relations is a functional unit of the Bank and is responsible for the accuracy, adequacy and clarity of disclosure of the Bank's information to investors on a timely basis in accordance with the Bank's disclosure principles and applicable requirements and regulations. Other than planned activities such as meetings with investors and analysts, participation at investor events and arranging roadshows, Investor Relations is the primary point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies. The president, CFO and other senior executives participate in investor relations activities.

The Investor Relations Code of Conduct will be published, in the near future, on www.scb.co.th under the sequence of menu headings "About SCB," "Corporate Governance," and then "Investor Relations Code of Conduct."

4.3 Auditors

The auditors' qualifications are scrutinized by the Audit Committee in terms of their independence, suitability, accountability, and absence of any conflict of interest with respect to the Bank and its subsidiaries, management, major shareholders or related parties thereof. The Audit Committee also reviews the annual audit fees in terms of the scope of audit and proposes the list of qualified auditors and the audit fees to the Board for further consideration and consideration by the AGM.

Details regarding the audit fees and other service fees paid by the Bank to the auditor as well as the auditor's report for 2013 are available in the sections titled "Audit Fees" and "Audit Report of Certified Public Accountant" of this Annual Report.

5. Responsibilities of the Board

5.1 Board Composition

At the end of 2013, there were 16 directors, and the number of directors is commensurate with the Bank's size and the nature of its business. The Bank selects its Board based on criteria set forth by relevant regulators and with the aim of creating diversity in terms of knowledge, experience and other key attributes.

The 16 directors consist of 4 women and 12 men with diversified professional backgrounds in finance, banking, business administration, marketing, law, auditing and accounting, corporate governance, social and community responsibility, and other experience that is considered beneficial and relevant to the Bank's business. Composition of the Board is as follows:

- The nine independent directors* (representing 56% of the total directors) are Mr. Anand Panyarachun, Mr. Maris Samaram, Mr. Chumpol NaLamlieng, Prof. Vicharn Panich M.D., Assoc. Prof. Dr. Kulpatra Sirodom, Mr. Ekamol Kiriwat, Mr. Prasan Chuaphanich, Khunying Jada Wattanasiritham and Mr. Robert Ralph Parks.
- Four directors representing the major shareholders are Dr. Chirayu Isarangkun Na Ayuthaya, M.R. Disnadda Diskul, Miss Supa Piyajitti and Pol. Gen. Adul Sangsingkeo.
- Three executive directors (representing 19% of the total directors) are Dr. Vichit Suraphongchai, Mrs. Kannikar Chalitaporn and Mr. Bodin Asavanich.

In this context, three non-executive directors possess experience in the banking industry, namely Khunying Jada Wattanasiritham, Mr. Robert Ralph Parks and Mr. Ekamol Kiriwat.

In 2013, the Bank appointed Mr. Apisak Tantivorawong as an advisor to the Board with the role and responsibility of attending Board meetings in order to provide consultation and/or opinions to the Board on matters as assigned by the Board.

The names of the Bank's directors and their respective number of years as directors of the Bank are provided in Table 1.

* The term "independent director" has the meaning specified in the Bank of Thailand's Notification No. SorNorSor. 13/2552 Re: Corporate governance of financial institutions, and the Capital Market Supervisory Board's Notification No. TorJor. 28/2551, Re: Application and approval for offering newly issued shares, and/or their amendments (if any). Moreover, the number of shares held by an independent director and his/her related parties combined shall not exceed 0.5% of the total voting shares of the Bank, or the Bank's parent company, subsidiaries, or associate companies, or major shareholders, or the persons having the authority to control the Bank. This shareholding restriction of not more than 0.5% is the Bank's standard, which is a higher standard than that set by the Capital Market Supervisory Board, which prohibits an independent director from holding more than 1% of the total voting shares of the company of which he/she is a director.

Table 1: Board of Directors

Name	Position	Date of appointment as director	Number of years in directorship[3)]
1. Mr. Anand Panyarachun	Chairman of the Board, Independent Director, and Member of the Corporate Social Responsibility Committee	6 March 1984 2 October 1992	1st round: 7 years (1984 - 1991) 2nd round: 21 years 3 months (1992 - present)
2. Dr. Vichit Suraphongchai	Director, Chairman of the Executive Committee, and Member of the Corporate Social Responsibility Committee	10 December 1999	14 years 1 month
3. Mr. Maris Samaram	Independent Director and Chairman of the Audit Committee	25 February 2003	10 years 10 months
4. Prof. Vicharn Panich M.D.	Independent Director and Chairman of the Corporate Social Responsibility Committee	29 September 2006	7 years 3 months
5. Mr. Chumpol NaLamlieng	Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee	30 March 1998 5 April 2007	1st round: 1 year 8 months (1998 - 1999) 2nd round: 6 years 9 months (2007 - present)
6. Assoc. Prof. Dr. Kulpatra Sirodom	Independent Director and Member of the Audit Committee	19 June 2009	4 years 6 months
7. Mr. Ekamol Kiriwat	Independent Director and Member of the Audit Committee	5 April 2011	2 years 9 months
8. Mr. Prasan Chuaphanich[1)]	Independent Director and Member of the Audit Committee	4 April 2013	9 months
9. Dr. Chirayu Isarangkun Na Ayuthaya	Director and Member of the Corporate Social Responsibility Committee	18 September 1987	26 years 3 months
10. M.R. Disnadda Diskul	Director and Member of the Corporate Social Responsibility Committee	22 November 1996 5 April 1999	1st round: 2 years 2 months (1996 - 1999) 2nd round: 14 years 9 months (1999 - present)
11. Khunying Jada Wattanasiritham[2)]	Independent Director, Member of the Corporate Social Responsibility Committee, and Member of the Nomination, Compensation and Corporate Governance Committee	2 February 1999	14 years 11 months (Independent director: 4 years 2 months)
12. Miss Supa Piyajitti	Director and Member of the Nomination, Compensation and Corporate Governance Committee	3 April 2009	4 years 9 months
13. Mr. Robert Ralph Parks	Independent Director and Member of the Nomination, Compensation and Corporate Governance Committee	23 March 2010	3 years 9 months
14. Pol. Gen. Adul Sangsingkeo[1)]	Director and Member of the Nomination, Compensation and Corporate Governance Committee	4 April 2013	9 months
15. Mrs. Kannikar Chalitaporn	Director, President, Member of the Executive Committee, and Member of the Corporate Social Responsibility Committee	21 January 2002	11 years 11 months
16. Mr. Bodin Asavanich	Director, Member of the Executive Committee, and Senior Executive Vice President, Group General Counsel	21 January 2002	11 years 11 months

Remark:
1) Mr. Prasan Chuaphanich and Pol. Gen. Adul Sangsingkeo were appointed as directors by the AGM No. 190 on 4 April 2013.
2) Khunying Jada Wattanasiritham qualified as an independent director from 19 October 2009.
3) Information as of 31 December 2013.

5.2 Directors' Term of Position

One-third of the total number of directors must retire by rotation at every annual general meeting of shareholders. Those directors who have held office for the longest time period are selected to retire. In case the number of directors is not a multiple of three, the number of directors to retire shall be the number closest to one-third of all directors. Retiring directors may be re-elected to continue office.

To enhance transparency and corporate governance, the Bank has adopted the principle that, generally speaking, the tenure of an independent director should not exceed three consecutive terms. As regards the tenure of directors as members of board committees, namely the Audit Committee, the Corporate Social Responsibility Committee and the Nomination, Compensation and Corporate Governance Committee, their tenure shall be concurrent with their directorships. In 2013, an independent director who completed his three consecutive terms was Mr. Sumate Tanthuwanit.

5.3 Segregation of Positions

The Bank has clearly segregated the positions and authority of the chairman of the Board, the chairman of the Executive Committee, and the president to enhance the effectiveness of performance, 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 serve as the chairman of the Executive Committee or the president of the Bank, or 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. The key roles of the chairman of the Board are: to ensure that Board meetings are conducted effectively and matters that are essential to the Bank's operations and/or performance are placed on the meeting agenda, particularly matters related to corporate strategy; to allocate sufficient time for management to present clear and timely information; to allow attending board members to voice their opinions and ask questions; and to ensure that board resolutions are clear and the meeting minutes are correct. The chairman of the Board also presides over the shareholders' meeting. Another key role of the chairman is to ensure that the Bank's governance practices such as the composition of the Board, directors' performance of duties, and succession planning for top executives is in compliance with adopted policies.

Chairman of the Executive Committee - The chairman of the Executive Committee is a Board-appointed director with powers and duties to manage and control the business of the Bank as delegated by the Board. The chairman of the Executive Committee is empowered to develop and implement key strategies and practices relating to the business of the Bank in addition to responsibilities from appointments on other Board committees. The role of the chairman of the Executive Committee also includes overseeing the Executive Committee's compliance with its charter, and execution of documents or contracts on behalf of the Bank. The Executive Committee Charter is available on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," and then "Charter of the Board and Board Committee."

President – As provided by the Articles of Association, the president is an ex-officio member of the Executive Committee and has such powers and duties as may be assigned by the Board including the power to execute documents and/or contracts on behalf of the Bank. The powers and duties of the president in general are available on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," and then "Corporate Governance Policy."

5.4 Directorships of Other Companies

The Bank has laid down a clear policy regarding holding of positions by the Bank's directors (and the president) in other companies, which is in line with practices 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 should not be a director of more than five other listed companies; and the Bank of Thailand requires that a director and/or a senior executive of any commercial bank may be the chairman, an executive director, or an authorized director of other companies but only up to three businesses. In addition, the SCB Board has endorsed a policy that each of its directors can hold positions in up to five listed companies and/or non-listed subsidiaries of the Bank.

Further to the aforestated policies, the Bank has established an internal guideline pertaining to holding of positions in other companies. This requires directors to notify the Nomination, Compensation and Corporate Governance Committee of assuming any position in companies or organizations so that the Nomination, Compensation and Corporate Governance Committee can review the appropriateness of the appointment and compliance with relevant laws and regulations. The company secretary shall regularly report changes in positions of directors to the Board of Directors. Information about positions held by the Bank's directors in other companies is disclosed to shareholders in this Annual Report. In this regard, no directors hold positions in more than five listed companies or non-listed subsidiaries of the Bank, and no executive directors or senior executives of the Bank (executive vice president and above) may hold positions in more than three listed companies outside the SCB Group.

5.5 Roles and Responsibilities of the Board of Directors

The Board of Directors is committed to pursue the highest standards of ethical conduct and comply with related legal requirements. The Board's roles, duties and responsibilities shall be in accordance with those specified by law, the Bank's Memorandum and Articles of Association, and the resolutions of the shareholders. In addition, the Board's roles and responsibilities are stipulated in the Charter of the Board of Directors, which includes determining, approving and overseeing the implementation of policies, strategies, financial targets and business directions proposed by management, with the aim of maximizing long-term shareholder value taking account of the best interests of all relevant stakeholders. The Board is also tasked with establishing the structure and processes that ensure that there are appropriate systems and processes for risk management, compliance governance, audit, and internal control. Such systems and processes shall be regularly reviewed to ensure that they are appropriate and adequate for the Bank's business. *(Details of the roles, responsibilities, and authority of the Board are available on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," "Charter of the Board and Board Committee," and then "Charter of the Board of Directors.")*

In addition to complying with the relevant laws and regulations as mentioned above, the Board is committed to abiding with the following principles as stated in the Directors Code of Conduct: a) maintaining honesty, fairness and integrity in discharging their responsibilities, b) conducting personal transactions, if any, on an arms-length basis, c) maintaining the confidentiality of information, d) disclosing any conflict of interest, e) abiding with the law, and f) not accepting any inappropriate payments, gifts, entertainment or travel benefits from third parties. Moreover, the Board, including the Bank's executives and employees, are committed to pursuing the principles under the Corporate Code of Conduct and the Employee Code of Conduct. *(Details regarding the Corporate Code of Conduct, the Directors Code of Conduct, and the Employee Code of Conduct are available on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," and then "Code of Conduct.")*

5.6 Committees

The following committees have been set up by the Board and delegated to review or oversee specific matters to support the Board's performance of duties.

5.6.1 Board Committees

At present, the Bank has four board committees, namely the Executive Committee, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee, and the Corporate Social Responsibility Committee. The roles and responsibilities of each board committee are clearly defined in its charter, which is available on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," and then "Charter of the Board and Board Committees." A summary of each committee's operations in 2013 is as follows:

- **Executive Committee**

  The Executive Committee is appointed by the Board and comprises a number of directors and executives at the level of senior executive vice president. For members of the Executive Committee serving as the Bank's directors, their term on the Executive Committee is concurrent with their directorship. Currently, the Executive Committee has nine members comprising three directors, namely Dr. Vichit Suraphongchai (chairman of the Executive Committee), Mrs. Kannikar Chalitaporn and Mr. Bodin Asavanich, and six executives of the Bank at the level of senior executive vice president.

  The major functions and responsibilities of the Executive Committee are to manage and oversee the Bank's business in accordance with the Bank's strategies and policies and the Board's business direction, including screening matters prior to submission to the Board and approving requests within the scope of delegation assigned by the Board. The Executive Committee held 37 meetings in 2013.

- **Audit Committee**

  The Board initially appointed an Audit Committee in 1998 with responsibilities to review the Bank's financial statements to ensure the accuracy and adequacy of such statements; to ensure that the Bank has appropriate and effective internal control and internal audit systems; to review the Bank's compliance with regulatory and legal requirements; to review the adequacy of the Bank and SCB Financial Group's risk management process and policies including the effectiveness of the implementation of the risk management systems; and to perform other duties as stipulated in the Charter of the Audit Committee. Another key role of the Audit Committee is to nominate qualified auditors and propose audit fees to the Board for consideration prior to seeking approval from the shareholders' meeting. Further, the Audit Committee is tasked with assessing the auditors' performance on an annual basis.

  Currently, the Audit Committee is comprised of four independent directors, namely Mr. Maris Samaram (chairman of the Audit Committee), Assoc. Prof. Dr. Kulpatra Sirodom, Mr. Ekamol Kiriwat and Mr. Prasan Chuaphanich. Their tenures on the Audit Committee are concurrent with their directorships. Every member of the Audit Committee possesses extensive knowledge and experience in the review of financial statements of banks. In 2013, the Audit Committee held 12 meetings, and details of its activities are provided in this Annual Report.

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

  The main responsibilities of the Nomination, Compensation and Corporate Governance Committee are to nominate directors and senior executives of the Bank as well as to propose for the Board's endorsement the appropriate remuneration of the Board and the Board Committees prior to referring the matter to the shareholders' meeting for approval. In addition, the Nomination, Compensation and Corporate Governance Committee is assigned to assure that the compensation offered to the Bank's executives is commensurate with their roles and responsibilities, and to formulate the Bank's policy in respect of corporate governance and propose it to the Board for consideration and approval. Details regarding roles and responsibilities of the Nomination, Compensation and Corporate Governance Committee are elaborated in the Charter of the Nomination, Compensation and Corporate Governance Committee.

  The Nomination, Compensation and Corporate Governance Committee is currently composed of five members, namely Mr. Chumpol NaLamlieng (chairman of the Nomination, Compensation and Corporate Governance Committee), Khunying Jada Wattanasiritham, Miss Supa Piyajitti, Mr. Robert Ralph Parks, and Pol. Gen. Adul Sangsingkeo. Three of them (including the chairman) are independent directors, and the remaining two members are non-executive directors. Their tenures on the Nomination, Compensation and Corporate Governance Committee are concurrent with their directorships. In 2013, the Nomination, Compensation and Corporate Governance Committee had six meetings, and details of its activities are provided in this Annual Report.

- **Corporate Social Responsibility Committee**

  The roles and responsibilities of the Corporate Social Responsibility Committee are to develop the Bank's business direction as well as to monitor, supervise and assess the Bank's performance and activities in terms of contribution to the country's economy and social welfare and the environment. The Corporate Social Responsibility Committee focuses on building a strong foundation, furthering initiatives, developing networks and sustaining success based on the following three principles: 1) developing human resources, especially among youth, 2) establishing volunteer networks in order to promote volunteer involvement and awareness which will eventually lead to a better quality of life, and 3) developing initiatives that protect the environment, which is crucial for sustainable development.

  All seven members of the Corporate Social Responsibility Committee are directors, namely Prof. Vicharn Panich M.D. (chairman of the Corporate Social Responsibility Committee), Mr. Anand Panyarachun, Dr. Chirayu Isarangkun Na Ayuthaya, Dr. Vichit Suraphongchai, Khunying Jada Wattanasiritham, M.R. Disnadda Diskul and Mrs. Kannikar Chalitaporn. Their tenures on the Corporate Social Responsibility Committee are concurrent with their directorships. In 2013, the Corporate Social Responsibility Committee held eight meetings, and their dedication has led to the Bank's success in implementing CSR activities and projects in accordance with the framework and policy set by the Board, details of which are shown in the Sustainability Report.

5.6.2 Major Committees Relating to Management of the Bank

There are six key committees relating to the management of the Bank, namely the Management Committee, the People Development Committee, the Change Program Steering Committee, the Risk Management Committee, the Assets and Liabilities Management Committee and the Equity Investment Management Committee. The roles and responsibilities of each committee are described in the Bank's Corporate Governance Policy, which can be summarized as follows:

- **Management Committee**

  In early 2011, the Bank restructured and renamed the Strategy and Review Committee as the Management Committee. In 2013, the Management Committee held 18 meetings in order to perform duties in accordance with its roles and responsibilities, mainly to discuss and exchange views on the Bank's business operations; and to consider and/or approve new products, services and work processes.

- **People Development Committee**

  The People Development Committee was set up in 2010 to formulate and review policies and strategies of the Bank's human resource management as well as to monitor and supervise implementation of, and compliance with, such policies and strategies. In 2013, the People Development Committee held eight meetings.

- **Change Program Steering Committee**

  The Change Program Steering Committee is in charge of developing and establishing frameworks or programs related to the Bank's development and transformation, including monitoring such programs. In 2013, the Change Program Steering Committee held 16 meetings.

- **Risk Management Committee**

  In 2002, the Board of Directors established the Risk Management Committee, which is responsible for the formulation of risk management policies and guidelines for the SCB Financial Group. The Risk Management Committee is also tasked with control and monitoring of risk, and supervising and assessing the performance of the SCB Financial Group in accordance with risk management policies and criteria as imposed by the Bank and the Bank of Thailand. In 2013, the Risk Management Committee held 12 meetings.

- **Assets and Liabilities Management Committee**

  The Assets and Liabilities Management Committee is part of the Bank's risk management for market risk, interest rate risk on the banking book, and liquidity risk. The Committee held 16 meetings in 2013 to formulate strategies for management of liquidity risk, interest rate risk, market risk and exchange rate risk.

- **Equity Investment Management Committee**

  The Equity Investment Management Committee is in charge of formulating policies for the Bank's equity investment strategy and approving or making proposals for acquisition/disposal of investments to the Executive Committee or the Board, as prescribed by its authority, as well as keeping operational oversight of the Bank's equity investment portfolio. In 2013, the Equity Investment Management Committee held five meetings.

5.7 Board Meetings

Meetings of the Board of Directors and the Board committees are held in accordance with the rules and procedures specified in the Charter of the Board, the charters of the relevant Board committees, and the Corporate Governance Policy. The meeting schedules of the Board and its committees are planned in advance for the entire year. The chairman of the Board and the chairman of the Executive Committee determine agendas of the Board meetings. The president or directors can propose agenda items through the company secretary. In addition, the Board sets a policy that a meeting of non-executive directors shall be held on a semi-annual basis. Meeting documents are delivered to directors seven days in advance of each Board meeting in order that the directors will have sufficient time to study the documents. Directors can request additional information through the company secretary.

At each Board meeting, executives are invited to attend the meeting on agenda items concerning their responsibilities in order to provide relevant information for the directors. Such discussion and meeting between directors and executives are also beneficial for executive succession planning.

In 2013, there were 13 Board meetings (including two Board Retreats) and two non-executive directors' meetings. Details of directors' meeting attendance are as shown in Table 2.

5.8 Board and Senior Executive Assessment

5.8.1 Board Assessment

The Board assessment is divided into four parts covering: 1) self-assessment of individual directors; 2) assessment of the chairman of the Board; 3) assessment of the Board as a whole; and 4) assessment of Board committees.

The Board assessment is conducted annually. Comments and recommendations acquired from the assessment are considered and used for enhancing the effectiveness of the Board performance and the Bank's good corporate governance practices. Furthermore, performance assessment provides the supporting information for the Board's opinions on re-election of directors retiring by rotation, which are presented to shareholders for consideration and approval.

In 2012, an external consulting firm with expertise and experience in corporate governance was engaged in the Board assessment. In 2013, the Bank used an assessment format that was refined by the external consulting firm and that encompassed the four performance assessment components mentioned above. The forms were submitted to all directors for their assessment and opinions on the Board performance. The assessment results were then analyzed and proposed to the Board for consideration. Main assessment topics in the whole board assessment form included, for example, Board composition/structure, strategies and planning/managing company performance, monitoring and supervision, corporate governance, director and management development, and executive succession plan. Performance of Board committees was also evaluated in dimensions such as undertaking of duties and responsibilities as set forth in the charters concerned, meeting effectiveness, and communication of the results or meetings resolutions to directors. The Board chairman's performance was also assessed in aspects such as his conduct of Board meetings and shareholders' meetings. According to the results of 2013 Board performance assessment, the average score was at the 'good' level, i.e., most performance of the Board meets or exceeds expectation. Nevertheless, in order to enhance the effectiveness of the Board's performance, the Board has endorsed certain actions, such as regularly arranging development programs to ensure that directors are equipped with skills and knowledge that are current and related to their performance as members of the Board of Directors and Board committees, and keeping the Board informed of the progress and implementation of the Bank's Whistleblower Policy.

5.8.2 Senior Executive Assessment

Prior to proposing the matter to the Board for approval, the Nomination, Compensation and Corporate Governance Committee is responsible for assessing the performance of the Bank's senior executives, namely chairman of the Executive Committee, the president, and senior executives at the level of executive vice president and above on an annual basis. Details are provided in the Sustainability Report.

Table 2: Details of Attendance Record in 2013

Name	Board of Directors	Executive Committee	Audit Committee	Corporate Social Responsibility Committee	Nomination, Compensation and Corporate Governance Committee	Annual General Meeting of Shareholders No. 190
1. Mr. Anand Panyarachun	13/13	-	-	8/8	-	1/1
2. Dr. Vichit Suraphongchai	11/13	33/37	-	-	-	1/1
3. Mr. Maris Samaram	13/13	-	12/12	-	-	1/1
4. Prof. Vicharn Panich M.D.	13/13	-	-	8/8	-	1/1
5. Mr. Chumpol NaLamlieng	13/13	-	-	-	6/6	1/1
6. Mr. Sumate Tanthuwanit[1)]	4/4	-	2/3	-	-	1/1
7. Assoc. Prof. Dr. Kulpatra Sirodom	13/13	-	12/12	-	-	1/1
8. Mr. Ekamol Kiriwat	12/13	-	12/12	-	-	1/1
9. Mr. Prasan Chuaphanich[2)]	8/9	-	9/9	-	-	-
10. Dr. Chirayu Isarangkun Na Ayuthaya	13/13	-	-	8/8	-	1/1
11. M.R. Disnadda Diskul	13/13	-	-	6/8	-	1/1
12. Khunying Jada Wattanasiritham	13/13	-	-	8/8	6/6	1/1
13. Miss Supa Piyajitti	12/13	-	-	-	6/6	1/1
14. Mr. Robert Ralph Parks	9/13	-	-	-	3/6	1/1
15. Pol. Gen. Adul Sangsingkeo[3)]	5/9	-	-	-	1/4 [4)]	-
16. Prof. Dr. Thosaporn Sirisamphand [1)]	3/3	-	-	-	2/2	1/1
17. Mrs. Kannikar Chalitaporn	13/13	36/37	-	-	-	1/1
18. Mr. Bodin Asavanich	11/13	30/37	-	-	-	1/1

Remark:
1) Mr. Sumate Tanthuwanit and Prof. Dr. Thosaporn Sirisamphand left office as director on 4 April 2013.
2) Mr. Prasan Chuaphanich was appointed as director by the Annual General Meeting of Shareholders No. 190 and as member of the Audit Committee by the Board of Directors on 4 April 2013.
3) Pol. Gen. Adul Sangsingkeo was appointed as director by the Annual General Meeting of Shareholders No. 190 and as member of the Nomination, Compensation and Corporate Governance Committee by the Board of Directors on 4 April 2013.
4) Pol. Gen. Adul Sangsingkeo attended the Nomination, Compensation and Corporate Governance Committee Meeting No. 5/2013 on 18 October 2013 via teleconference.

5.9 Procedure for Nomination of Directors and Senior Executives

The Nomination, Compensation and Corporate Governance Committee is responsible for screening and proposing to the Board qualified candidates to serve as directors and members of Board committees based on the candidates' knowledge, capabilities, and experience required for the director positions falling vacant, as well as, in the case of independent directors, their independence. With regard to the directors representing major shareholders, in principle the major shareholders are required to propose individuals to be elected as the Bank's directors as deemed appropriate. The Board only has duty to verify that the qualifications of individuals nominated are not contrary to relevant laws. The Board proposes the nominated candidates to the shareholders for election at the AGM. Further, to conform to the Bank's policies governing directors' holding position in other companies, the Nomination, Compensation and Corporate Governance Committee refrains from considering candidates who hold positions in five or more listed companies and/or non-listed subsidiaries of the Bank. The Nomination, Compensation and Corporate Governance Committee will consider candidates proposed by shareholders and individual directors and, after scrutiny of their qualifications to ensure compliance with laws and regulations, propose selected candidates to the Board. Following the Board's endorsement of the nominated candidates, the Bank will consult with and seek endorsement from the Bank of Thailand prior to proposing the directors to the shareholders for approval.

The Nomination, Compensation and Corporate Governance Committee is also responsible for reviewing and screening qualifications of persons nominated for senior executive positions, i.e., the positions of chairman of the Executive Committee, president, senior executive vice president, first executive vice president, and executive vice president, prior to proposing the nominations to the Board for approval and subsequently to the Bank of Thailand for endorsement of the appointment.

As regards the appointment of senior management below the level of executive vice president, the head of each relevant functional group and the Human Resources Group are responsible for considering, screening and proposing such appointment to the president for approval.

The above-mentioned processes for nomination, selection and appointment of directors and senior executives are conducted by the Board, the Nomination, Compensation and Corporate Governance Committee and relevant management without discrimination against any person on the grounds of difference in race, religious belief, gender, marital status or disability.

5.10 Succession Planning

The Board has assigned the Nomination, Compensation and Corporate Governance Committee to be responsible for succession planning in order to ensure that the Bank has in place a succession plan that incorporates the nomination, selection and training for key positions, particularly the positions of the chairman of the Executive Committee, president and executives at executive vice president level and above, to ensure their readiness and continuity of the Bank's management and business operations when executive positions become vacant due to job transfer, retirement or resignation. Details of succession planning are described in the Sustainability Report.

5.11 Director and Executive Remuneration

The Board requires that director remuneration should be commensurate with the duties and responsibilities that directors undertake to fulfill stakeholders' expectations and in accordance with applicable laws and regulations. It is implicit that the Bank's directors must possess appropriate experience and qualifications and be offered remuneration appropriate for their 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

5.11.1 Director Remuneration

The current remuneration of director was approved by shareholders at the 2013 AGM. The chairman of the Board receives a remuneration of Baht 1.8 million per year, and each member of the Board receives a remuneration of Baht 1.2 million per year. The rates are the same as those adopted since 2000. In 2013, the Board of Directors, totaling 18 persons, received an aggregate remuneration of Baht 19.80 million.

At the said AGM, shareholders approved a bonus payment to directors at a rate of not more than 0.5 percent of the dividend, and authorized the Board to determine how the bonus should be distributed. As shareholders approved a dividend payment of Baht 15,296 million or Baht 4.50 per share for the Bank's 2012 operating results, the total directors' bonus for 2012 performance was Baht 60 million or 0.4% of the dividend.

Current Remuneration of the Board Committees as Approved by Shareholders at the 2013 AGM

Committee	Monthly remuneration (Baht)	Attendance fee (Baht/meeting)
Executive Committee		
• Chairman	-	-
• Member	-	-
Audit Committee		
• Chairman	75,000	15,000
• Member	50,000	10,000
Nomination, Compensation and Corporate Governance Committee		
• Chairman	45,000	15,000
• Member	30,000	10,000
Corporate Social Responsibility Committee		
• Chairman	45,000	15,000
• Member	30,000	10,000

Remark: The chairman of the Executive Committee, president, and director and senior executive vice president, Group General Counsel do not receive remuneration for serving on Board committees.

In 2013, members of the Board committees, i.e., the Executive Committee, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee and the Corporate Social Responsibility Committee, totalling 15 persons, received remuneration of Baht 7.88 million.

Remuneration of individual directors is shown in Table 3.

Table 3: Details of Remuneration of Individual Directors in 2013.

Unit: Million Baht

Name	Board of Directors	Executive Committee	Audit Committee	Corporate Social Responsibility Committee	Nomination, Compensation and Corporate Governance Committee	Directors' bonus for 2012 performance
1. Mr. Anand Panyarachun	1.80	-	-	0.44	-	5.49
2. Dr. Vichit Suraphongchai	1.20	-	-	-	-	3.66
3. Mr. Maris Samaram	1.20	-	1.08	-	-	3.66
4. Prof. Vicharn Panich M.D.	1.20	-	-	0.66	-	3.66
5. Mr. Chumpol NaLamlieng	1.20	-	-	-	0.63	3.66
6. Assoc. Prof. Dr. Kulpatra Sirodom	1.20	-	0.72	-	-	3.66
7. Mr. Ekamol Kiriwat	1.20	-	0.72	-	-	3.66
8. Mr. Prasan Chuaphanich [1]	0.90	-	0.54	-	-	-
9. Dr. Chirayu Isarangkun Na Ayuthaya	1.20	-	-	0.44	-	3.66
10. M.R. Disnadda Diskul	1.20	-	-	0.42	-	3.66
11. Khunying Jada Wattanasiritham	1.20	-	-	0.44	0.42	3.66
12. Miss Supa Piyajitti	1.20	-	-	-	0.42	3.66
13. Mr. Robert Ralph Parks	1.20	-	-	-	0.39	3.66
14. Pol. Gen. Adul Sangsingkeo [2]	0.90	-	-	-	0.28	-
15. Mrs. Kannikar Chalitaporn	1.20	-	-	-	-	3.66
16. Mr. Bodin Asavanich	1.20	-	-	-	-	3.66
17. Mr. Sumate Tanthuwanit [3]	0.31	-	0.18	-	-	3.66
18. Prof. Dr. Thosaporn Sirisamphand [3]	0.31	-	-	-	0.11	1.79
19. Mr. Thevan Vichitakul [4]	-	-	-	-	-	1.52
Total	**19.80**	**-**	**3.23**	**2.40**	**2.25**	**60.00**

Remark:
1) Mr. Prasan Chuaphanich was appointed as director by the Annual General Meeting of Shareholders No. 190 and as member of the Audit Committee by the Board of Directors on 4 April 2013.
2) Pol. Gen. Adul Sangsingkeo was appointed as director by the Annual General Meeting of Shareholders No. 190 and as member of the Nomination, Compensation and Corporate Governance Committee by the Board of Directors on 4 April 2013.
3) Mr. Sumate Tanthuwanit and Prof. Dr. Thosaporn Sirisamphand left office as director on 4 April 2013.
4) Mr. Thevan Vichitakul left office as director on 1 June 2013.

5.11.2 Executive Remuneration

The Nomination, Compensation and Corporate Governance Committee is responsible for proposing remuneration for executives to the Board for endorsement. The remuneration should be appropriate for, and in line with, the Bank's policies as well as reflect corporate and individual performance. The remuneration consideration is based on the transparent criteria, scope of responsibilities, and competitiveness of the Bank as compared to leading financial institutions and companies in Thailand.

In accordance with the definition determined by the Office of Securities and Exchange Commission, the term "executives" refers to "executives at the senior executive vice president level and above, including executives of the finance or accounting department." In 2013, the Bank's executives according to such definition totaled 11 persons, and they received remuneration in the form of monthly salary, bonus and allowance amounting to Baht 363.91 million. On the other hand, the term "executives" according to the definition of the Bank of Thailand refers to executives at executive vice president level and above; and the Bank's executives according to such definition totaled 69 persons and in 2013 they received the remuneration in the form of monthly salary, bonus and allowance amounting to Baht 1,012.57 million.

5.11.3 Other Benefits for Directors and Executives

Directors and executives of the Bank are entitled to receive other welfare and benefits in accordance with the Bank's regulations. In 2013, one non-executive director and three executive directors of the Bank obtained medical expenses reimbursement of Baht 23,588.50 and Baht 1.71 million respectively. The Bank's executives are entitled to welfare and other benefits similar to those offered to other employees such as medical welfare, annual medical check-up, life and accident insurance, welfare loans, and provident fund contribution. In 2013, the Bank's provident fund contribution for 9 executives as defined by the Office of Securities and Exchange Commission (i.e., the senior executive vice president level and above including executives of the finance or accounting department) was Baht 9.01 million, while the provident fund contribution for 66 executives as defined by the Bank of Thailand (i.e., the executive vice president level and above) was Baht 33.11 million.

5.12 Director Orientation

The Bank arranges orientation meetings for all new directors. At these meetings, briefings on the Bank's vision, strategies, key business targets and operations plans are given by the president and senior executives. Important documents are also provided for new directors, including the Director's Manual, the Memorandum and Articles of Association of the Bank, the Bank's Annual Report, and the Directors' Code of Conduct. Such documents provide key information regarding roles and responsibilities of directors, the Corporate Governance Policy, approval authority, prohibitions under applicable laws, and roles and responsibilities of the Board committees.

5.13 Director, Executive and Employee Development

5.13.1 Director Development

The Bank attaches importance to the development of its directors and encourages directors to participate in such courses or activities as will serve to enhance their knowledge and performance as members of the Board of Directors and Board committees. These courses and activities are usually arranged by the Stock Exchange of Thailand, the Office of Securities and Exchange Commission, and the Thai Institute of Directors, such as Director Certification Program (DCP), Director Accreditation Program (DAP), Audit Committee Program (ACP), and Monitoring the Internal Audit Function (MIA). Directors are also encouraged to attend overseas seminars and activities that promote corporate governance practices at a national level such as the 2nd National Director Conference 2013 arranged by the Thai Institute of Directors. In this regard, the Bank regularly keeps directors informed of relevant training courses in advance for their consideration.

Further, the Board of Directors has directed the Bank to regularly arrange development programs to ensure that directors are equipped with skills and knowledge that are current and related to their performance as members of the Board of Directors and Board committees and incorporate such programs in Board meetings at least once per year.

5.13.2 Executive and Employee Development

The Bank strongly believes that continuous development of its human resources at all levels is a key foundation for sustainable growth and business success, both in the short- and long-term. Therefore, the Bank has focused its efforts on encouraging executives and employees to develop their skills and capabilities as well as offering them with opportunities to advance their careers. In pursuing its goal of becoming a learning organization, the Bank continued its implementation of a blended learning and development approach to promote learning-outside-the-classroom in 2013. In particular, internal skills development projects became more integrated to business realities. Other major programs implemented by the Bank in 2013 included coaching programs, e-learning, leadership development programs, scholarship programs for domestic and overseas educational programs, and a project named I-Plearn, which offers new and innovative edutainment learning tools.

Details of executive and employee development are shown in the Sustainability Report.

5.14 Oversight of Subsidiaries and Affiliates

The Bank, as the parent company of companies in SCB Financial Group, attaches importance to aligning the business direction of companies in SCB Financial Group to the Bank's policies and processes, as this contributes to synergy and operational effectiveness of the SCB Financial Group.

The Board of Directors has delegated to the Executive Committee the authority to nominate the Bank's executives with the right business acumen and expertise as representative directors of companies in the SCB Financial Group in order to partake in the formulation of the policies and management direction of the affiliate and bring them in line with the Bank's key policies. In this regard, the Bank has developed a representative director handbook, which defines the roles and responsibilities of representative directors as well as provides guidelines for representative directors who have a key role in protecting the rights and interests of the Bank and its shareholders.

Also, to promote transparency and prevent conflict of interest, the Bank, as the parent company, has established policies and regulations governing transactions among companies in the SCB Financial Group based on applicable regulatory and legal requirements.

Further, the Risk Management Committee is established by the Board of Directors and tasked with monitoring and supervising risk management practices of all companies in the SCB Financial Group to ensure their compliance with risk management policies and regulations as imposed by the Bank and the Bank of Thailand. Risk management policies for companies in SCB Financial Group have been developed to provide standard guidelines for identifying, assessing, controlling, monitoring and reporting material risks specific to each company in the SCB Financial Group.

5.15 Board Support Unit

The Bank provides support to and recognizes the importance of the following units and personnel responsible for ensuring the Bank's proper compliance with laws and regulations as well as the Board's adherence to statutory and good corporate governance practices:

5.15.1 Chief Audit and Compliance Officer

The Audit and Compliance Group has been established to monitor and govern compliance of the Bank and companies in the SCB Financial Group with laws, regulatory requirements and the Bank's Compliance Policy. The Audit and Compliance Group also functions

as an independent and neutral body responsible for auditing operations, providing advice, recommending improvements to internal control and risk management systems, and enhancing corporate governance practices. Audit and Compliance Group is led by Mrs. Kannika Ngamsopee, first executive vice president and chief audit and compliance officer, who is responsible for ensuring that the aforesaid roles and responsibilities are effectively carried out. The chief audit and compliance officer reports operationally to the president, and functionally to the Audit Committee. The Audit Committee has the duty to review the suitability of the chief audit and compliance officer in terms of qualifications and performance, as well as to endorse the appointment, removal, transfer, or dismissal of the chief audit and compliance officer, including performance assessment.

5.15.2 Company Secretary

The Board of Directors has appointed Mrs. Siribunchong Uthayophas as company secretary to support the Board with respect to statutory and supervisory requirements, good corporate governance as well as other duties and responsibilities as specified in the Bank's Corporate Governance Policy. The company secretary reports functionally to the chairman of the Board of Directors and operationally to the senior executive vice president, Group General Counsel. Functions of the company secretary are available on the Bank's website (www.scb.co.th) under the sequence of menu headings "About SCB," "Corporate Governance," and then "Company Secretary."

Educational background, work experience, and training records of the two persons mentioned above are provided in this Annual Report.



The Human Resources Group has set up programs like The Coach, for mentoring, and Purple People Talk, to let staff voice workplace concerns confidentially. These are among many efforts to help employees maximize their career potential and job satisfaction.