

## **Practice 1: To be Aware of the Board of Directors' Roles and Responsibilities as the Organization Leader that Creates Sustainable Value for the Organization**

The Board of Directors performs their duties with responsibility, duty of care, and duty of loyalty. It makes decisions or resolutions based on sufficient information for informed and rational decisions. Members should avoid conflicts of interest, refrain from seeking personal benefits, not selectively practice, and not favor particular associates. They should carefully safeguard the overall interests of Krungsri Group, not limited to specific shareholder groups or individuals. This includes performing duties complying with the law, regulations, the Bank's Articles of Association, the resolutions of the Board of Directors and shareholders' meeting, directives from Financial Institutions inspectors, the Bank of Thailand, as well as the Principles of Good Corporate Governance (Duty of Obedience), by managing the organization under exemplary morals and ethics and playing a key role in promoting good governance for the organization.

The Board of Directors has determined objectives, goals, strategies, policies, and directions of the business operations, including overseeing, inspecting, and following up on their implementation by the management to ensure transparency, compliance with laws, and sustainable growth with responsibilities toward the environment, society, and stakeholders, and being under good corporate governance. This is to ensure the maximum overall benefit for Krungsri and its shareholders.

### **Setting of roles and responsibilities of the Board of Directors and management**

- Krungsri has clearly separated the roles and responsibilities of the Board of Directors and management whereby the Chairman of the Board and President and Chief Executive Officer cannot be the same person. Roles and responsibilities of the Board of Directors, Chairman of the Board, President and Chief Executive Officer, and executives are clearly specified in the Good Corporate Governance Principles and the Charter of the Board of Directors.

- Krungsri clearly stipulates the approval authority of the Board of Directors with respect to significant matters in accordance with laws, the Bank's objectives, the Articles of Association, and resolutions of the shareholders' meeting, such as important policies for Krungsri Group's operations, the annual operating plan, and budget. Details are shown in the Charter of the Board of Directors on Krungsri's website under the topic of Organization Chart and Committee Structure, with the Board of Directors as a subtopic..

### **Good Corporate Governance Principles**

- Krungsri has established Good Corporate Governance Principles (the Principles) and the Charter of the Board of Directors to be used as the policy and guidelines for supervision of the business operations of Krungsri, to which the directors, executives, and employees shall adhere. The Principles are filtered by the oversight committees before being proposed to the Board of Directors for approval. The Principles and the Charter of the Board of Directors shall be reviewed on an annual basis or without delay in case of any significant change. This is to ensure the appropriateness of the

Principles and Charter of the Board of Directors in changing circumstances, and their alignment with relevant regulations of the regulatory bodies, Krungsri's organizational structure, and the environmental situation of corporate governance of Krungsri Group.

- The Principles' contents cover various significant matters, e.g., shareholders' rights and their equitable treatment, information disclosure and transparency, the oversight committees as well as executives, internal control and internal audit systems, and Krungsri Group's Business Philosophy and Roles towards Stakeholders and Employees' Code of Conduct and compliance. In addition, the Charter of the Board of Directors includes content related to serving as a reference for the performance of directors' duties, e.g., Composition and Qualifications of the Board of Directors, the Approval Authorization of the Board of Directors, Roles and Responsibilities of the Chairman of the Board, as well as Roles and Responsibilities of the Board of Directors.

- Krungsri disseminates and promotes the Principles and the Charter of the Board of Directors through internal communications as well as Krungsri's website under the topic of Corporate Governance and Organization Chart and Committee Structure, with the Board of Directors as a subtopic, in order for the directors, executives, employees, and related persons to acknowledge and adhere to them. There are activities to promote comprehensive understanding amongst employees.

- Krungsri has developed a compulsory course of Good Corporate Governance via Krungsri Learning Companion (KLC). All executives and employees must complete the course every two years or whenever it is significantly updated. Course participants must pass tests with a score meeting the benchmark.

- In order to be in line with the Board of Directors' resolution, Krungsri communicates the Principles and the Charter of the Board of Directors including the annual revision to its subsidiaries so that they can adopt them or create their own Good Corporate Governance principles and Charter of the Board of Directors in accordance with the nature of their businesses; doing so also strengthens the operations of Krungsri Group in line with its the Principles. In addition, Krungsri has published and communicated information through various channels within Krungsri Group to create knowledge and understanding so that everyone can follow the principles of good corporate governance correctly.