

Driving investment, trade and the  
creation of wealth across Asia,  
Africa and the Middle East

# About us

We're a leading international banking group with around 86,000 employees committed to building a sustainable business over the long-term.

We operate in some of the world's most dynamic markets and have been for over 150 years. More than 90 percent of our income and profits are derived from Asia, Africa and the Middle East.

# Awards & recognition

Standard Chartered Bank (Thai) has been rated AAA (tha) for its national long-term rating by Fitch Ratings.



# What's inside this report

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# Performance Highlights



### Total Income\*

Up **11** percent to THB **4,649** m

2015 THB 4,178 m.

### Total Operating Expenses\*

Down **17** percent to THB **3,109** m

2015 THB 3,738 m

### Loan Impairment\*

Down **103** percent to THB **-35** m

2015 THB 1,058 m

### Net Profit After Tax\*

Up **2.5** times to THB **1,575** m

2015 THB -618 m. (loss)

### Total Assets

Down **8** percent to THB **190,659** m

2015 THB 208,338 m

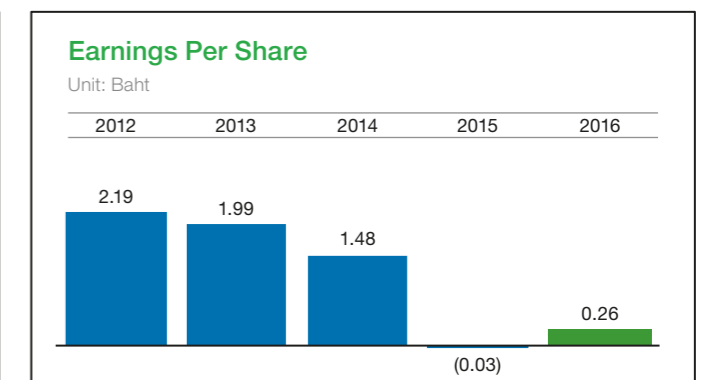
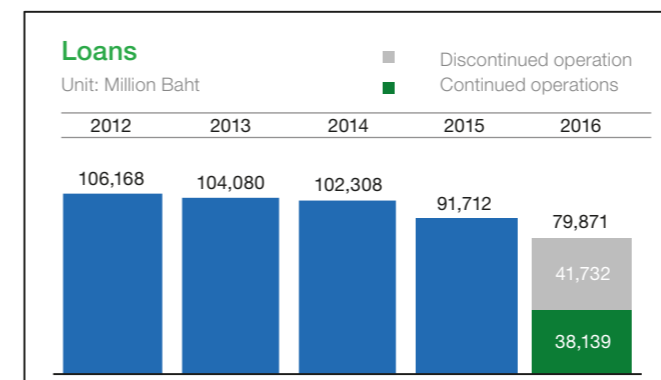
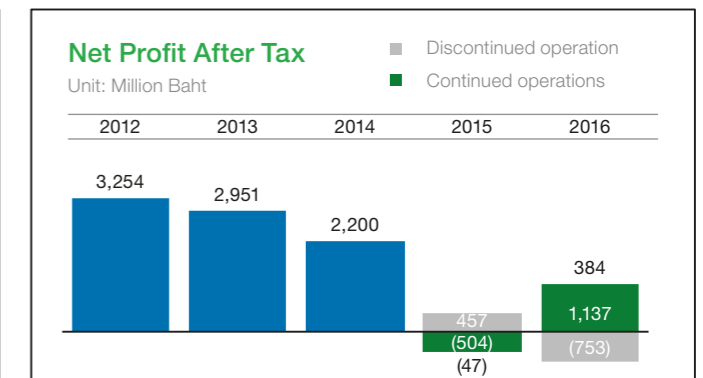
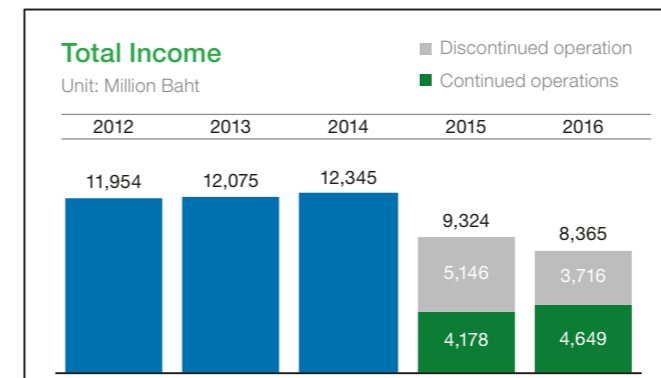
### Capital Adequacy Ratio (Solo Basis)

Up **1** percent to **26.3** percent

2015 25.4 percent

\*Excluded discontinued operations

## Five Year Review



# Chairman's statement



**Bharat Padmanabhan**  
Chairman

2016 was an exceptionally challenging year for us. The region including Thailand continued to experience weak global demand, lower commodity prices and volatility in the financial markets. These combined factors resulted in stagnating economic growth and the Bank was not spared.

At the same time, the Bank took pivotal steps and embarked on a transformational journey implementing a number of change initiatives, aimed at sharpening our focus, and making us fitter and more efficient. While we continue to serve our clients in the corporate segments, one important development was our decision to transfer our Retail Banking business to TISCO Group as announced publicly in December 2016. These changes are targeted to position the Bank more effectively in the long term, as we optimize our capabilities

in delivering value-added services and solutions to our clients.

We cannot stress enough about our unwavering commitment to Thailand. The Bank has operated in Thailand since 1894 and our operation here remain a core part of the Bank's regional strategy. Our uniquely diversified and extensive network in all 10 ASEAN markets will help us serve Corporate & Institutional Banking (CIB) and Commercial Banking (CB) clients driving investment, trade and the creation of wealth across the region. Our strategy is very clear: to focus on areas where we can truly add value.

I am encouraged and proud to report that our people remain fully committed than ever in contributing and developing the Thai community through sustainability programmes, such as "Positive Living", "Financial

Education & Employee Volunteering", and "Seeing is Believing".

There is much to be done to turn the corner and restore our bank to sustainable profitable growth, and deliver good returns to our shareholders. Despite likely economic headwinds in 2017, I remain optimistic about the long-term potential of our franchise in Thailand and opportunities in the Greater Mekong region.

On behalf of the Board, I wish to thank the management team and staff of Standard Chartered Bank (Thai) PCL for their hard work and dedication throughout 2016. I would also like to thank our clients for their continued trust in our products and services.

**Bharat Padmanabhan**  
Chairman



# Message from the President and CEO



**Plakorn Wanglee**  
President and Chief Executive Officer  
Thailand and Representative Offices

2016 was a year of considerable challenges and changes. The key external headwinds included a decline in commodity prices, muted trade volumes, volatility in equity markets and ongoing weakness in financial markets.

We proactively took a series of actions to mitigate the impact; we adapted to the changing environment; and reshaped our business to position Standard Chartered Bank (Thailand) PCL ("SCBT") more effectively for the long term.

The underlying fundamentals of the Bank remain sound. We have a diversified asset base, solid liquidity, strong management as well as a disciplined and proactive approach to risk management. International rating agencies continue to recognize

these as our core strengths. We retain AAA (tha), the highest national rating as certified by Fitch Ratings, which also affirmed our Long-Term Foreign Currency IDR at A- with Stable Outlook. We remain a strategically important subsidiary of Standard Chartered PLC ("the Group"), based on our important role in supporting the Group's international banking business and expansion in the Greater Mekong Region.

## Transfer of Retail Banking Business

Back in November 2015, the Group announced that it would be taking a series of simplification and restructuring actions to improve returns, including to divest businesses that have insufficient scale or competitive advantages. While our Corporate and

Institutional Banking and Commercial Banking businesses are strong and differentiated, it has been challenging for the Retail Banking business to compete effectively with local players who dominate the market.

As a result of sharpened strategy and extensive business review in Thailand to position it for long term growth, we have finally reached an agreement to sell and transfer our Retail Banking business in Thailand to TISCO Group. The transfer of the Retail Banking business is expected to be completed in 2017, subject to regulatory approvals. Our priority is to work closely with TISCO to ensure a smooth transfer for our clients and staff.

This is part of the Group's strategy to review our business model in country and to explore ways to be leaner, and more focused on what we do best.

The decision was an extremely difficult one to make, nevertheless crucial to our long-term viability. There is no doubt that Retail Banking business in Thailand is of high quality and managed by tremendously capable and hardworking staff. Our staff have pushed themselves very hard and it is evident via the improvement in the FY2016 performance of our Retail Banking business. I would like to take this opportunity to thank our

Retail Banking staff for their dedication and hard work and we are committed to do our best to support them during the transition as well as to continue to serve our clients.

## 2016 business highlights

Retail Banking's performance was more diversified with higher contribution from Wealth Management and Priority Segment. In addition, new business underwritten across all Lending Products also showed significant improvement and demonstrated good shift towards high quality client segments. Retail Banking was also recognised by Asian Banking & Finance magazine as "Best International Bank in Thailand" and "Credit Card Initiative of the Year".

In line with the Group's strategy, from beginning of 2016, Commercial Clients and Large Corporate segments were integrated and renamed "Commercial Banking." The objectives are to improve efficiency, reduce redundancy and to grow by penetrating into each client sub-segment within Commercial Banking, which included Local Corporates, Middle Market, Medium Enterprise and Cash and Liabilities. Commercial Banking stayed on course and continued to demonstrate promising outlook for a sustainable business in Thailand.

Likewise, Corporate and Institutional Banking continued to successfully support Large Corporate and Financial Institution Clients. With our local knowledge and international network,

we won a number of high-visibility deals and were able to optimize our renminbi capacity for our major clients.

## Our continued commitment to community

Our business strategy focuses on banking the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East. Sustainability remains a priority to us and we are committed to promote economic and social development in the markets where we operate in the short, medium and long terms. Some of the key activities we contributed in 2016 included 1) Seeing is Believing - continuing to work with the Princess Sirindhorn Eye Surgery Unit under the Thai Red Cross Society to provide eye treatment for 6,910 patients, 2) Positive Living - throughout the year 2016, our HIV champions and volunteers trained almost 776 people nationwide, 3) through our employee volunteering, we provided financial education training for 1,793 students covering schools in Banking and the nearby provinces.

## Looking ahead

We look ahead with cautious optimism. With an expected improvement in the macro economic environment and our refreshed strategy, the Bank will be better equipped to withstand challenges while capturing underlying opportunities in both Thailand and the Greater Mekong Subregion.

I would like to thank the Board of Directors, Executive Committee, management team and staff for your continued support throughout 2016. I look forward to working closely with you to turn around the Bank for long-term sustainable growth.

**Plakorn Wanglee**  
President and Chief Executive Officer  
Thailand and Representative Offices

Financial and operating review



# Summary of Financial Results

## Summary of Financial Results

2016 was a challenging year for Standard Chartered Bank (Thai) PCL. The Bank's performance has to be considered against a backdrop of slow economic recovery combined with a cautious revised strategy and the consequential effects of deliberate management actions. The final outcome is a much strengthened balance sheet with double digits operating income growth on a consolidation basis while flattish on the Bank basis. This excludes the discontinued operation as detailed in paragraph 3.

The overarching objectives of the Bank's strategy are to "Secure the foundations", "Get lean and focused"; and "Invest and innovate". It aims to achieve these objectives by strengthening financial resilience, improving performance and enhancing controls. The change in strategy contemplates a change in the Bank's business mix towards more profitable and less capital intensive businesses, and to leverage network on building the Bank's business onshore.

Standard Chartered PLC announced in November 2015 that it would be taking a series of simplification and restructuring actions to improve returns, including divestment its businesses that have insufficient scale or lack competitive advantages. In December 2016, Standard Chartered Bank (Thai) PCL ("SCBT") has agreed to transfer its Retail Banking business to TISCO Bank PCL ("TISCO Bank") and All-Ways Company Limited, wholly own subsidiaries of TISCO Financial Group PCL ("TISCO"). Under the agreement, SCBT's Retail Banking business, including credit cards, personal loans, business loans, wealth management, mortgage loans, bancassurance and retail deposits will be transferred to TISCO within 2017, subject to regulatory approvals. SCBT nevertheless remains committed to Thailand. Its Corporate and

Institutional Banking and Commercial Banking businesses are strong and differentiated and remains fully committed to serving clients in those segments in Thailand and supporting Thai businesses domestically and as they trade internationally.

The Bank's performance has been faced with various challenging excluding discontinued operation. Operating income increased to Baht 4,649 million, 11 percent up, or Baht 471 million compared to 2015 on a consolidated basis. A significant portion of the increase was attributable to the selling of unused premises.

On 18 November 2016, the Bank sold its 99.99% interest in Standard Chartered (Thai) Asset Management Company Limited, a subsidiary, for THB 861m in cash. The carrying amount of Standard Chartered (Thai) Asset Management Company Limited's net assets in the Consolidated and Bank's financial statements on the date of the sale was THB 1,005m and THB 639m, respectively. Loss on sale of THB144m is recognized in other expense in the consolidated statement of comprehensive income and gain on sale of THB 222m is recognized in gain on investment in the Bank's statement of comprehensive income.

Operating expenses decreased Baht 629 million, or 17 per cent to Baht 3,109 million mainly due to efficiency program and cessation of brand royalty fee.

Loan impairment significantly improved by Baht 1,093 million, or 103 per cent to Baht 35 million write-back reflecting the majority of provision for corporate accounts made in 2015 and the consequence of active action taken to manage early alert accounts by Group Special Asset Management.

As at December 31, 2016, loan loss provisions for the Bank was Baht 5,854

million, with an excess provision over the regulatory reserve requirements of THB 1,566m or 136.5 per cent of the regulatory reserve requirements. The loan loss coverage ratio remains conservatively high at 127.4 per cent compared to 123.0 percent at the end of December 2015.

The Retail Banking business performance was reported under discontinued operation with the loss after corporate income tax of Baht 753 million.

On the consolidated basis, the net profit after tax was Baht 384 million or increased by Baht 431 million from the prior year.

## Balance sheet

In 2016 the Bank has actively managed the balance sheet to optimize risk weighted assets for better returns. The Bank remains disciplined in its focus on sustaining a strong balance sheet. Overall, the Bank is highly liquid with an advance to deposits ratio is at 70.5 per cent.

## Assets and Asset Quality

As of December 31, 2016, the total assets of the Bank and its subsidiaries were Baht 190,659 million, a decrease of Baht 16,679 million or 8 per cent from last year, mainly due to a decrease in derivatives assets and loans as continued portfolio optimization. The bank has slowed down its credit growth as observed resulted from slower economic growth and the bank's prudential portfolio quality focus. Retail loans as reported under Assets of disposal group classified as held for sales contracted corresponding to prudential credit policy in tightening underwriting criteria.

The Bank continued its proactive and prudential risk management with a

lending portfolio that is diversified across a wide range of products, industries and client segments. In addition, the Bank has taken conservative view in establishing the excess reserves in order to withstand for any uncertainties of economic downturn.

## Liabilities

As of December 31, 2016, the total liabilities of the Bank and its subsidiaries were Baht 152,214 million, a decrease of Baht 17,707 million or 10 per cent over December 31, 2015, primarily driven by a decrease in deposits of Baht 12,566 million.

## Equity

Total shareholders' equity increased by Baht 29 million to Baht 38,446 million due to total comprehensive

income Baht 207 million and reduced by the dividend payment of Baht 178 million (Baht 0.12 per share).

## Liquidity

It is the Bank policy to maintain adequate liquidity at all times, and hence to be in a position to meet obligations as they fall due. The Bank manages liquidity risk both on a short-term and medium-term basis. In the short term, the Bank's focus is on ensuring that the cash flow demands can be met where required. In the medium term the focus is on ensuring that the statement of financial position remains structurally sound and aligned to the strategy.

## Capital Adequacy

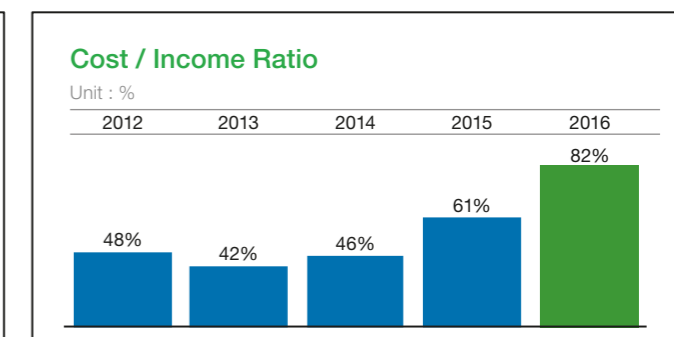
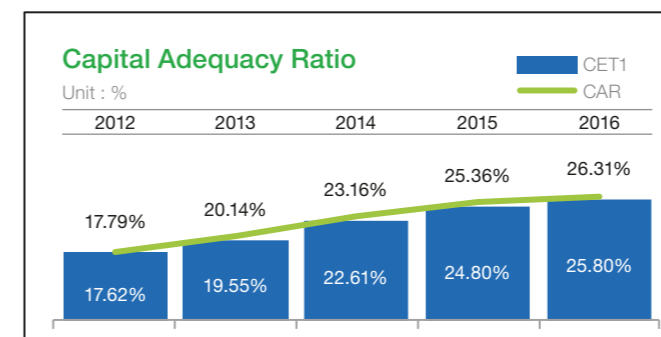
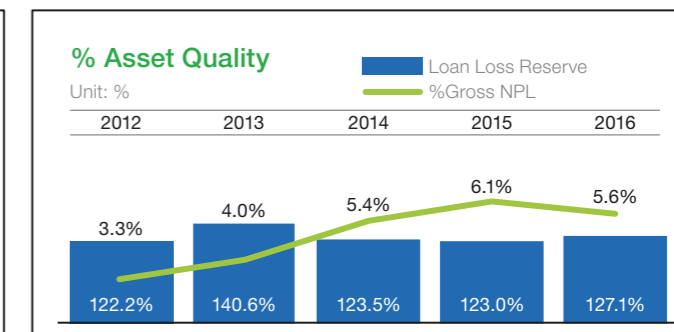
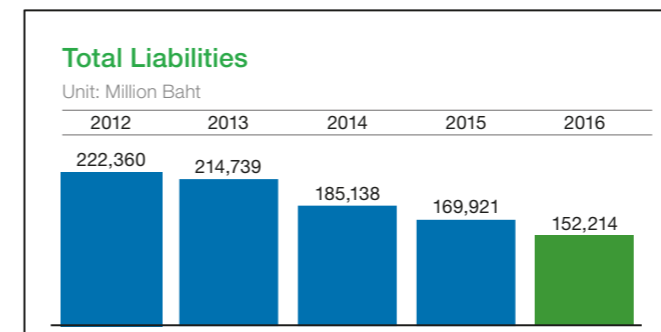
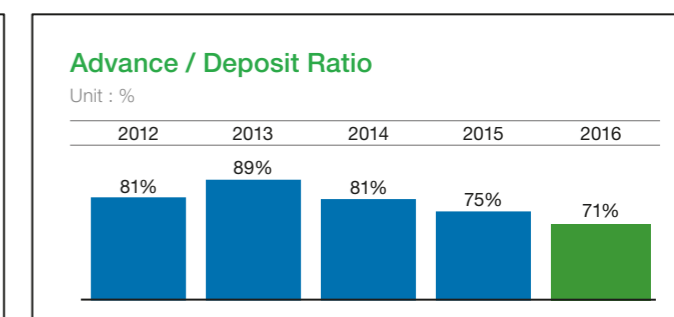
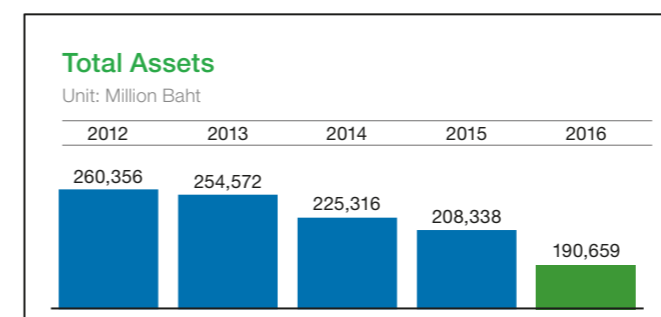
The Bank maintains a strong capital base to support the development of its business, to meet regulatory

capital requirements and to maintain appropriate credit ratings.

At the end of 2016, the Capital, on a consolidation basis, was Baht 37,794 million and Capital Adequacy Ratio (CAR) was 26.31 per cent. The CAR reflects very healthy capital position. The ratio is well above the minimum regulatory requirement of 8.50 per cent comprising Common Equity Tier 1 ratio of 25.16 per cent.

## Earnings per Share

Standard Chartered Bank (Thai) PCL Group's weighted average number of ordinary shares remained the same at 1,484 million shares in 2016. Consequently, Earnings per share in 2016 is Baht 0.26 which increased from Loss per share Baht 0.03 in 2015. The book value per share in 2016 was Baht 25.91 or remained stable from Baht 25.89 in 2015.



# Nature of business

## Overview

Standard Chartered Bank (Thai) PCL is one of the oldest banks in Thailand. Following the post Asian crisis, Standard Chartered Group acquired a Thai local bank in 1999 and integrated with the foreign bank branch and renamed “Standard Chartered Bank (Thai)” in 2005.

Today, Standard Chartered (Thai) has around 1,500 full-time employees in 18 branches and offers a wide range of Corporate & Institutional Banking and Retail Banking services across the country. From beginning of 2016, Commercial Clients and Large Corporate segments were integrated and renamed “Commercial Banking.” This desire sits at the heart of our business in Thailand and is reflected in our brand promise “Here for good”.

## Retail Banking

With the continuing focus on organizational and business strategic transformations are implemented and seamlessly adopted, Priority client segments are still the heart of our refreshed strategy. Our main focus is to expand Client Acquisition new customer base and continue to develop customer relationship. In 2016, Standard Chartered (Thai) has successfully transform the strategy as planned eg. Launching new simple products to meet the customers need. This was resulted in better performance compared to last year.

## Commercial Banking

Commercial Banking serves Large Local Corporate, Middle Market and Medium Enterprises with annual revenue of more than THB 350 million per year (USD 10 million). We provide comprehensive range of services to meet the needs of our clients from

business loans, working capital, international trade to foreign exchange, VPP, supply chain management and etc. Our expertise can also help clients to better solution to manage currency fluctuated and commodity price hedging. Our knowledge in local market along with our extensive international network are the main reason why a number of aspiring business entities bank with us, especially as they expand cross borders.

### Key strategic priorities in 2016 were as follows:

- To expand client network and deepen relationship with target clients in order to understand and cater to the diverse financial and banking needs of clients
- To empower our team with up-to-date training on sector knowledge, regulatory requirements and product capabilities
- To focus on differentiated products and offer best-fitted banking solutions to clients’ financial need services e.g. cross-border solution and supply chain solution
- To provide value-added service through partnering with various industry, government and private associations in arranging seminars to equip clients with know-hows and networking opportunities. The seminars tap on the Bank’s leading team of international and local experts covering wide-ranging and ground-breaking topics from economic outlook, foreign exchange direction to potential new business opportunities across the region

## Corporate and Institutional Banking

While the Thai banking industry is dynamic and competitive, Standard Chartered Bank (Thai) stands out as a respected player and leader for large corporate and institutional clients –

especially in terms of product innovation, service excellence, global reach and support. The Bank is regularly recognised for its accomplishments by international banking associations and trade magazines.

## Segments

### Retail Banking

#### Priority & International Client Segment

We offer a unique open architecture for fund selection providing clients with access to over 100 mutual funds across all asset classes from ten asset management companies in Thailand. We also leverage our Global Wealth Management capabilities to sharpen the expertise of our local investment specialists and to up-skill our Relationship Managers (RMs) so that we can be our clients’ “Trusted advisors”.

#### Personal Client Segment

We serve the everyday banking needs of our clients across different life stages, from instalment loans and mortgage loans to wealth management and insurance. Retail Banking has also enhanced its secured and unsecured lending offerings, strengthened our credit card value propositions, as well as leading propositions in the Deposit space. While we are aggressively growing Priority Clients and Wealth Management businesses, we still maintain focus to grow Personal Client Segment and Retail Banking Products. Our goals are to serve clients’ needs and helping clients in the personal segment to grow and prosper into higher value segments.

#### Business Client Segment

We are focused on expanding the higher quality business client segment. These are clients that are

running scalable, international oriented businesses. We support these clients throughout their business’ life cycles through various services including business lending, cash management, trade and foreign exchange. In addition, these successful business owners are also offered our Priority Banking proposition so that we can better serve their individual future financial needs.

## Commercial Banking

Commercial Banking serves mid to large local companies. We provide comprehensive range of services to meet the needs of our clients. Our objective is to support and help them grow their franchise, especially as they expand across borders.

Our target clients are entities with annual revenue more than USD 10 million with international trade, working capital, business expansion & corporate finance needs and/or entities looking to expand into / entering from markets within the Standard Chartered Bank network.

## Corporate and Institutional Banking

Corporate and Institutional Banking (CIB) works in partnership with our global network, Standard Chartered Group, to build robust banking relationships globally. The local expertise from Standard Chartered Bank (Thai) and global support from Standard Chartered Group is a compelling proposition and the reason why many clients choose Standard Chartered Bank (Thai) and the Group to manage their regional banking needs.

### CIB client relationship is structured into two client segments.

1. International Corporates Client Segment (IC) : to cover large, Thai corporations who have international subsidiaries and global network, and

2. Financial Institutions Client Segment (FI) - to cover Thai and international financial institutions.

For clients, our leadership position in Thailand is based largely on our ability to provide tailored solutions to help our clients to better manage their funding, interest and currency risk, and commodity price exposures. We are also a product leader in foreign custody, interest-rate and currency derivatives, FXO, and commodity hedging. Working closely with Financial Markets and Transaction Banking product partners, CIB provides clients with a full range of customized banking products, services and solutions including Transaction Banking, Lending products and Financial Markets.

### Products offered to our clients include:

1. Transaction Banking and Lending Products such as Cash Management, Trade Finance, Custodian Services and Lending
2. Financial Markets Products such as Foreign Exchange, Options, Interest Rate and Commodity Derivatives, Fixed Income Instruments and Debt Origination.
3. Corporate Finance Products such as Structured Trade Finance, Project and Export Finance and Corporate Advisory.

## Products

### Transaction Banking & Lending Products

#### Cash Management:

Cash Management solutions help clients to better manage their liquidity, collection and payment processes. Our cash management solutions are designed to enhance working capital efficiencies through optimised AR, AP and liquidity management processes.

#### Trade Finance:

Trade products comprise a full range of import and export financing

(pre- and post-shipment) and non-funded guarantee transactions. Services and products offered include trade facilities, guarantees and bonds, letters of credit and trade bill collections. In addition, supply-chain products provide across-the-board financing solutions from suppliers to dealers, including receivable financing.

### Securities Services (Custody):

Consistent with other services that Standard Chartered Group provides through its subsidiaries, the Securities Services business in Thailand is operated under the Master Custody arrangement (where the Bank is appointed as the local supplier of global custody services). Local Fund Services are provided to local asset management companies (the managers of mutual and foreign investment funds).

### Lending:

We offer lending products of varying tenors. We also have the ability and expertise to arrange complex funding transactions, e.g. structured-rate loan, project-related financing whether stand alone or with a syndicate of banks. In addition, we offer asset-backed loans, where marketable machineries are pledged as collateral.

### Financial Markets Products

The Bank offers a number of services and solutions related to risk management, yield enhancement, liquidity management, and debt origination. The Financial Markets Department comprises market experts with in-depth local knowledge and experience. With our comprehensive product suite, in-depth understanding of the local market, and support from Standard Chartered Group’s international network spanning across 70 markets, we are uniquely positioned to help clients meet their needs.



**Foreign Exchange:**

- FX spot and FX forward instruments in all major currencies (in particular emerging markets in Asia, Africa and the Middle East)
- Arrangement of structured finance deals, FX swap, FX options, cross-currency derivatives, and other off-balance sheet hedging instruments.

**Interest rates, including transactions relating to:**

Interest rates on term deposits, money market instruments, investments in various government and corporate bonds, interest rate swap agreements, forward rate agreements, interest-rate options and yield enhancement investment products.

**Commodity Derivatives:**

Since 2008, Standard Chartered Group has become the key service provider for Commodity Derivative products. We offer solutions from basic forwards, to tailored solutions for clients looking to hedge their commodity price risk, or raise commodity-linked finance. Our platform covers precious metals, base metals, energy and agriculture.

**Debt Capital Markets:**

- A wide range of funding and investment alternatives customised to meet the specific needs of issuers and investors, in both primary and secondary markets.
- Product expertise includes fixed and floating-rate debentures, syndicated

loans, asset-backed securities, loan-style FRNs, etc.

**Corporate Finance Products**

With cooperation and support from the Standard Chartered Group, Corporate Finance is focused on corporate advisory, project and export finance, as well as structured trade finance.

With a wide range of products, on-the-ground market expertise and high levels of support and service, Standard Chartered Group's global network is second to none. The combination of these strengths has helped Standard Chartered Bank (Thai) build a stellar reputation as a creator and provider of value-added banking products and solutions to our customers.

# Sustainability: Our social purpose

**Sustainability :**

Our business strategy focuses on banking the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East. Sustainability remains a priority to us and we are committed to promote economic and social development in the markets where we operate in the short, medium and long term.

Our brand promise remain robust being Here for people, Here for progress, Here for the long run –

Here for good. We support our communities to address local social and economic needs. We work closely with local partners and our employee volunteers to deliver programmes focused on health and education.

Here are some of the key activities we contributed in 2016:

**Seeing is Believing**

Seeing is Believing, our flagship community programme, provides

funding to tackle avoidable blindness and visual impairment across the globe. In Thailand, we worked with the Princess Sirindhorn Eye Surgery Unit, under the Relief and Community Health Bureau of the Thai Red Cross Society to provide eye treatment to underprivileged people along the Thai-Cambodian border. The station of eye check up and operations is based in Sa Kaeo province. In 2016, there were over 2,510 eyes operated and around 6,910 patients along the two borders visited this medical camp.





Financial Education for Youth



Financial Education for Youth



Financial Education for Youth



Positive Living



Financial Education for Youth

**Liverpool FC**

Standard Chartered Bank has extended the sponsorship of Liverpool Football Club for three more years to the end of 2018/2019 season. In August 2016, SCBT hosted “A Journey Through Anfield” event. The activity was organized for our customers and LFC fans to experience Anfield home ground, Boot Rooms with LFC legends via Virtual Reality equipment, allowing fans to get up close and personal with the LFC’s heritage and pride. Around 5,000 people participated in the activity with appreciations.

**Positive Living**

When we first began “Living with HIV” initiative 16 years ago, the most people with HIV could hope for was survival. In the next ten years, we saw a generation of people successfully living with HIV. Today, through further technological developments alongside progress in anti-retroviral treatments, it is possible to live a long, full life with HIV positive. In September 2015, we

officially renamed our programme from “Living with HIV” to “Positive Living”.

Positive Living fights the stigma against and fosters the inclusion of people living with or affected by HIV. We believe education is the key to eliminating discrimination. In Thailand, our HIV champions and volunteers continue to make a difference. Throughout the year 2016, our HIV champions and volunteers have trained 776 people.

**Financial Education for Youth**

Financial education is a critical life skill that builds financial knowledge, skills and attitudes which allow individuals to make informed and effective financial decisions. Research has identified a lack of financial understanding is a key barrier to financial inclusion especially among youth. Financial education is a key driver of financial capability and provides individuals with skills to take control of their finances and to protect themselves against predatory banking

practices. This is why we are committed to building financial capability among youth through Financial Education for Youth (FE4Y).

In 2016, through our employee volunteering, SCBT provided financial education to 1,793 students, covering schools in Bangkok, Samutprakarn and Ayudhya. There were 537 staff volunteered in FE4Y.

**Recognition**

We continue to echo our efforts in developing Thailand’s banking and financial sector, building up communities and providing for a sustainable future. In 2016, we received award, in 6th consecutive years, on Corporate Social Responsibility Excellence Recognition Certificate (Gold category) from the American Chamber of Commerce. On business side, SCBT had been awarded International Retail Bank of the year and Credit Card Initiative of the year by the Asian Banking & Finance, a leading trade publication in Asia.



Positive Living



Liverpool FC



Liverpool FC

Corporate governance



# Board of Directors

## Mr. Bharat Padmanabhan

*Chairman*



Appointed to the Board on 8 April 2016, Mr. Bharat currently is Regional Head of Global Banking, ASEAN & South Asia, and a Member of the CIB Management Team of Standard Chartered Bank. Mr. Bharat has over 20 years of professional experience in the banking and finance industry. He joined Standard Chartered Bank in 1997 and has held various senior roles within Corporate and Institutional Banking including Regional Head, Corporate and Institutional Banking, ASEAN & South Asia; Global Head of Sales & Client Management of Transaction Banking; Head of Structured Trade Finance & Financing Solutions; Head of Client Coverage in Indonesia

and China; and Head of Financial Institution in United Kingdom and India, prior to his current appointment.

Mr. Bharat received a Master of Business Administration (Banking & Finance) from University of Birmingham, United Kingdom; a Master of International Business from Ecole Nationale Des Ponts Et Chaussees, Paris, France; and a Bachelor of Commerce from University of Madras, India.

Age: 50

## Prof. (Special) Somchai Richupan Ph.D.

*Independent Director*

*Member of the Audit Committee*

*Member of the Nomination and Remuneration Committee*



Appointed to the Board on 1 August 2005, Prof. Somchai served as Director General, Fiscal Policy Office and Excise Department, Ministry of Finance from 1992-1999; a Member of the Board of Directors of Bank of Thailand from 1995-1997; a Member of the Payment System Board of Bank of Thailand from 2002-2006; Chairman of Public Sector Audit Committee, Ministry of Finance from 2009-2013; and Chairman of Economic Committee of National Reform Council from 2014-2015. He is currently President of the Siam Development Institute; Chairman of the Board of Samitivej Hospital PCL; Chairman of the Audit Committee of Advanced Agro PCL; Law Councilor of the Council of State; and a Board

Member of the Commission on Decentralization of State Power to Local Authorities. He has also served as a Member of National Reform Steering Assembly; Spokesperson of Economic Committee of National Reform Steering Assembly; and Chairman of Subcommittee on Money and Finance of National Reform Steering Assembly since October 2015.

Prof. Somchai received a Master and Ph.D. in Economics from the University of Florida, USA; and a Bachelor of Economics from Thammasat University, Thailand

Age: 78

## Mr. Pakorn Malakul Na Ayudhya

*Independent Non-Executive Deputy Chairman*

*Chairman of the Nomination and Remuneration Committee*

*Member of the Audit Committee*



Appointed to the Board on 1 October 2002, Mr. Pakorn had worked for the Bank of Thailand for over 30 years. He served as Deputy Governor of Bank of Thailand during 2000-2002; Secretary of the Office of Securities and Exchange Commission during 1995-1999; and Chairman of Stock Exchange of Thailand during 2007-2009. He is currently Chairman of TSFC Securities PCL; Chairman of AIRA Capital PCL; Chairman of AIRA Property Co., Ltd; Chairman of Interlink Telecom PCL; Vice Chairman of Institute of Research and Development for Public Enterprises; a Member of Sub Performance

Agreement Committee of the Comptroller General's Department; an Expert on Corporate Governance and Social Responsibility, Stock Exchange of Thailand; and President of the Capital Market Academy Association.

Mr. Pakorn received a Bachelor of Economics from Queen's University of Belfast, Northern Ireland; and a Diploma from the National Defence College in 1996.

Age: 74

## Ms. Thippaporn Gertphol

*Independent Director*

*Chairman of the Audit Committee*

*Member of the Nomination and Remuneration Committee*



Appointed to the Board on 27 June 2003, Ms. Thippaporn has worked for Standard Chartered Bank for 33 years and had held several key positions including Country Manager and Head of Global Markets, Thailand and Mekong Area. She is currently Advisor for Banpu PCL; Director and Treasurer of the National Defence College (Class 4313); and Advisor of the Tax Accounting Committee, Federation of Accounting Professions.

University and completed an International Management Program from Insead Euro-Asia Centre in France. She also received a Certificate from the Director Certification Program (Class 14); a Certificate of Completion of Advanced Audit Committee from the Thai Institute of Directors; a Diploma from the National Defence College (Class 4313); and a Certificate from Capital Market Academy (Class 5).

Age: 68

Ms. Thippaporn received a Bachelor of Accounting from Thammasat



### Mr. Plakorn Wanglee

*Director  
President and Chief Executive Officer*

Appointed to the Board on 1 September 2016, Mr. Plakorn is currently President and Chief Executive Officer, Thailand and Representative Offices; and Head of Global Banking, Thailand. He has over 23 years of professional experience in the Banking and Finance Industry. He joined Standard Chartered Bank (Thai) PCL in 2012 as Head of Origination and Client Coverage & Co-Head of Wholesale Bank, and later held the senior positions of Head of Corporate & Institutional Clients; and Head of International Corporates, prior to his

current appointment. Prior to joining Standard Chartered Bank (Thai) PCL, he worked for the Royal Bank of Scotland, Thailand as a Country Executive.

Mr. Plakorn received a Master of Business Administration in Finance from University of San Francisco, USA; and a Bachelor of Accounting from Chulalongkorn University, Thailand.

Age: 50



### Ms. Oranuch Nampoolsuksan

*Director  
Senior Executive Vice President, Finance*

Appointed to the Board on 18 June 2010, Ms. Oranuch is currently Chief Financial Officer of Standard Chartered Bank (Thai) PCL. She joined Standard Chartered Bank (Thai) PCL in 2004 and previously held the positions of Financial Controller and Head of Operational Risk Assurance and Audit. Ms. Oranuch has over 30 years of experience in finance, accounting, operations and compliance.

Ms. Oranuch received a Master of Accounting from Thammasat University, Thailand; and a Master of International Economics and Finance from Chulalongkorn University, Thailand. She also received a Certificate from the Director Certification Program (Class 135) and an IOD's Diploma, which is accredited by the Australian Institute of Directors.

Age: 54



### Mr. Faisal Abu Shaar

*Director  
Senior Executive Vice President, Risk*

Appointed to the Board on 8 December 2016, Mr. Faisal is currently Chief Risk Officer and Senior Credit Officer, Thailand and Representative Offices. He has over 23 years of international banking experience across markets in ASEAN and Middle East. Mr. Faisal joined Standard Chartered Bank in 2011 as Senior Credit Officer, Standard Chartered Bank Jordan, and later was Senior Credit Officer, Standard Chartered Bank Singapore, prior to his current

appointment. Prior to joining Standard Chartered Bank, he worked for HSBC Bank Jordan as Chief Operating Officer.

Mr. Faisal received a Master of Political Science/International Relations from University of Jordan; and a Bachelor of Political Science/Economics & Statistics from University of Jordan, Jordan.

Age: 47



# Senior Management - Short description

## Mr. Plakorn Wanglee

*President and Chief Executive Officer*



Mr. Plakorn has over 23 years of professional experience in the Banking and Finance Industry. He joined Standard Chartered Bank (Thai) PCL in 2012 as Head of Origination and Client Coverage & Co-Head of Wholesale Bank, and later held the senior positions of Head of Corporate & Institutional Clients and Head of International Corporates, prior to his current appointment. Prior to joining Standard Chartered Bank (Thai) PCL, he worked for the Royal Bank of Scotland, Thailand as a Country Executive.

Education: Master of Business Administration in Finance from University of San Francisco, USA and Bachelor of Accounting from Chulalongkorn University, Thailand.

Age: 50

## Ms. Parnkae Nandavisai

*Senior Executive Vice President, Transaction Banking*



Ms. Parnkae joined Standard Chartered Bank in 2016 as Head of Transaction Banking, Thailand. She possesses almost 30 years of experiences in Banking and Finance. During her career, she has extensive experiences with local and international financial institutions in New York, Malaysia, Singapore and Thailand. She has strong background in transaction banking product development and management skills in order to serve all client segments including Local Corporates, MNCs, SME and

Financial Institutions. Ms. Parnkae initially joined Standard Chartered Bank, Thailand in 2001 in Financial Institutions, Multinational Corporates and Transaction Banking consecutively.

Education: Master of Business Administration in Finance from Southern Illinois University, USA and Bachelor of Business Administration from Chulalongkorn University.

Age: 52

## Ms. Anchalee Bunsongsikul

*Senior Executive Vice President, Financial Markets*



Ms. Anchalee joined Standard Chartered Bank in 2012 as Head, Corporates – Corporate & Institutional Clients, Thailand. Her extensive client knowledge and experience in strategic and risk management have been instrumental in contributing to the Corporates businesses.

Education: Master of Science in Finance from Saint Louis University, USA and Bachelor of Business

Administration from Chulalongkorn University, Thailand.

Age: 46

## Mr. Ashish Sharma

*Senior Executive Vice President, Commercial Banking*



Mr. Ashish has over 19 years of experience in banking and finance. During his career, he has been involved in several leading financial institutions in New York and Singapore including Goldman Sachs, McKinsey and Company, Sanford C. Bernstein and Standard Chartered, Singapore. Mr. Ashish joined Standard Chartered Bank, Singapore in 2005 as Director, Finance & Strategy and was then appointed Director, Metals & Mining, Client Relationships. His former role prior to joining Standard Chartered Bank (Thai) PCL is Head, Segments and Propositions, Group Commercial Clients, based in Singapore. Mr. Ashish

has well rounded expertise in Commercial Clients segment and knowledge of Credit, Products, Client Coverage and General Management plus has strong Group Standard Chartered Bank connectivity.

Education: Master of Business Administration in Finance from New York University, USA and also a Master of Engineering and Bachelor of Science in Computer Science and Engineering from Massachusetts Institute of Technology (MIT), USA.

Age: 42

## Ms. Auraratana Jutimitta

*Senior Executive Vice President, Retail Banking*



Ms. Auraratana has been working with Standard Chartered Bank for more than 10 years. Her career in the bank started in 2004 and spanned widely across the retail business including product management of all products including wealth, credit, strategic customer segment management, marketing analytics and marketing communications. Prior to joining Standard Chartered Bank, she had extensive experience in Management Consulting, Financial Services,

Business Strategy and Asset Management in Thailand and overseas (USA).

Education: Master of Business Administration in Finance from The University of North Carolina, USA.

Age: 42

## Ms. Chew Kim Ling

*Senior Executive Vice President, Chief Operating Officer*



Ms. Kim joined Standard Chartered Bank Singapore in 1988 and has also worked for Citibank Singapore for 4 years. She has nearly 30 years experience in corporate & institutional banking sales, as well as regional governance offices. Prior to joining Standard Chartered Bank Thailand in 2016, she held the position of Head, ASEAN Regional CEO Office

in Standard Chartered Bank.

Education: Bachelor of Business Administration with Honours from The National University of Singapore.

Age: 52

**Mr. Faisal Abu Shaar***Senior Executive Vice President, Risk Management*

Mr. Faisal joined Standard Chartered Bank, Thailand in 2016. He possesses more than 23 years of experience in the financial services industry with a strong track record in risk, business and operations and a diversified experience across markets in ASEAN and Middle East spanning all segments across Corporate and Commercial Banking. In his previous roles, Mr. Faisal was the Senior Credit Officer (SCO), Singapore, Australia and Philippines at Standard Chartered Bank, Singapore and Senior Credit

Officer (SCO) at Standard Chartered Bank, Jordan. His former role prior to joining Standard Chartered Bank was the Chief Operating Officer (COO) for HSBC Bank, Jordan.

Education: Master of Political Science / International Relations from University of Jordan and Bachelor of Political Science / Economics and Statistics from University of Jordan.

Age: 47

**Ms. Bubphawadee Owararinth***Senior Executive Vice President, Human Resources*

Ms. Bubphawadee joined Standard Chartered Bank in 2011. She previously held the position of Managing Director of a leading global consulting firm and Senior Regional Consultant based in Geneva, Switzerland and Singapore. She has over 24 years of experience in HR and management consulting for local and multinational corporations and state-owned enterprises in a various industries including banking and finance, insurance, consumer goods, pharmaceuticals, telecommunications, and automotive.

Education: Master of Public Administration (Fiscal Management) with Honours and Academic Excellence Award from the National Institute of Development Administration, Financial Management, Webster University, Geneva, Switzerland and a Bachelor of Arts in Political Science (Public Administration and Human Resources Management) with Honours from Thammasat University.

Age: 48

**Ms. Oranuch Nampoolsuksan***Senior Executive Vice President, Finance*

Ms. Oranuch joined Standard Chartered Bank in 2004. She had previously held the position of Financial Controller and Head of Operational Risk Assurance and Audit. Ms. Oranuch has more than 30 years of experience in finance, accounting, operations and compliance.

Education: Master of Accounting from Thammasat University and Master of International Economics

and Finance from Chulalongkorn University. She also received a Certificate from the Director Certification Program (Class 135) and an IOD's Diploma, which is accredited by the Australian Institute of Directors.

Age: 54

**Ms. Ladawan Yasothorn***Senior Executive Vice President, Compliance*

Ms. Ladawan has been working with Standard Chartered Bank for 23 years started from 1993. She has over 30 years of experience in Compliance, Risk Management, Relationship Management & Sales. Her career spanned over CIB & CB Compliance and key risk positions such as Head of Market Risk, Head of Financial Crime Risk, Head of Markets and Institution Risk Management, and Regional Risk Manager.

Education: Master of Business Administration from University of Michigan, Ann Arbor, USA and a Bachelor degree in Computer Engineering from Syracuse University, New York, USA. She also received Bachelor of Law from Faculty of Law at Chulalongkorn University.

Age: 54

**Mr. Christopher Melbourne Jenkins***Senior Executive Vice President, Information, Technology & Operations*

Mr. Christopher joined Standard Chartered Bank in 1991. He has over 20 years of banking experiences in Trade, Credit, Cash and SME segments at the Group, Regional, and Country levels. He has work experiences in London, Nigeria, India and Singapore prior to becoming the CIO for Group SME in 2011. He was appointed as Senior Executive Vice President - Chief Information Officer Thailand,

Representative Offices and ASEAN & South Asia (ASA) Cluster Markets in November 2015.

Education: Advanced Certificate in Overseas Trade from Middlesex University, London, England.

Age: 47

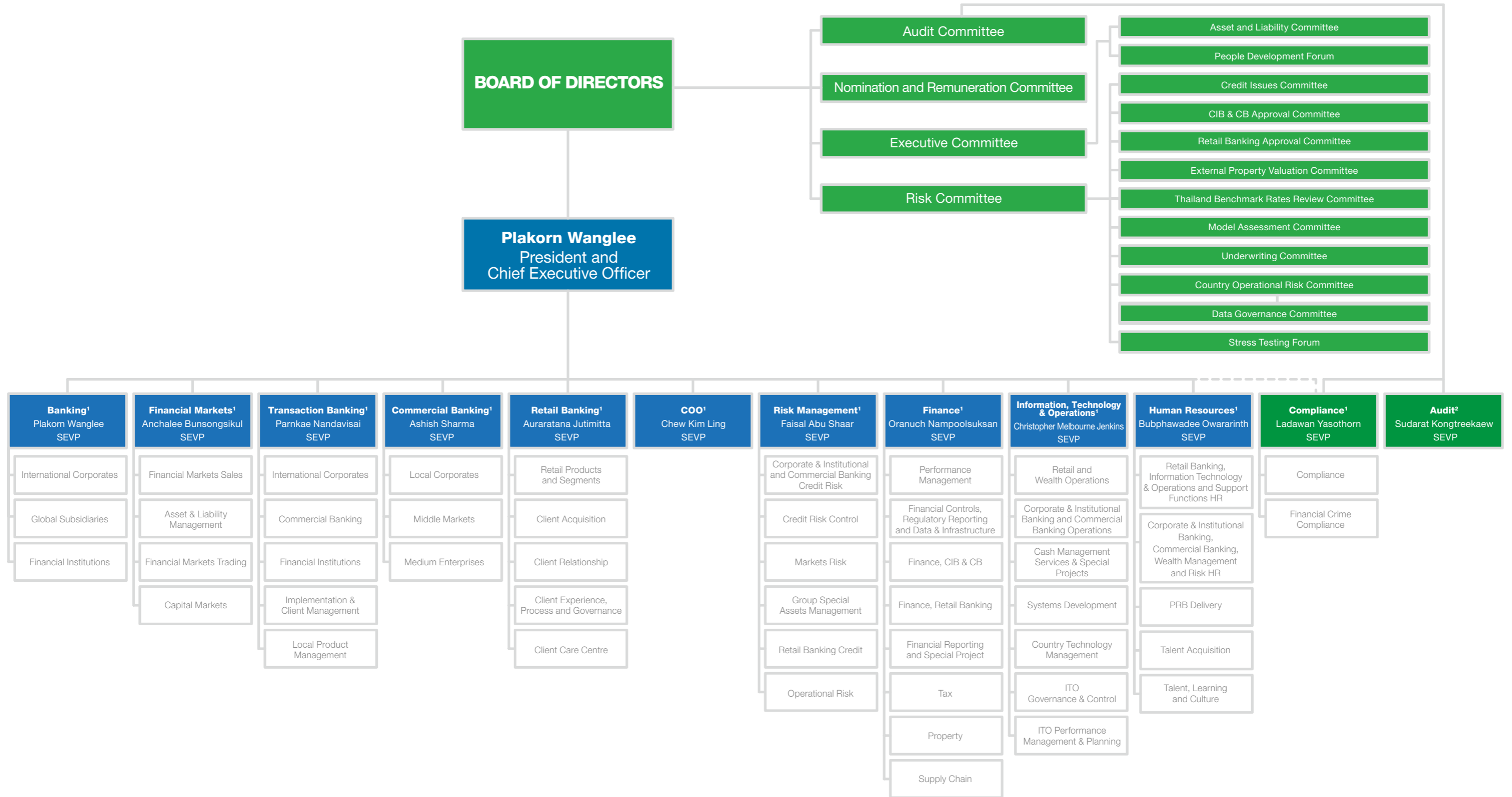
**Ms. Sudarat Kongtreekaew***Senior Executive Vice President, Audit*

Ms. Sudarat joined Standard Chartered Bank in 2013. She has 30 years of experience with both local and international banks, as well as consulting firms, where she focused on Auditing, Risk Management and Technology and Operations. She previously held the position of Chief Risk Officer at a local bank prior joining Standard Chartered Bank.

Education: Bachelor of Arts (Political Science) in International Relations from Chulalongkorn University and Designation in Application Programming from University of California, Los Angeles, USA.

Age: 57

# Organization Chart



Remark : 1. Country Management Team  
2. Audit is not part of Country Management Team

----- Indirect Reporting Line  
Update as of 31 December 2016



# Structure of management

## 1. The Board of Directors

The Board of Directors has responsibility for the overall strategy and management of the Bank and is primarily accountable to the shareholders for the proper conduct of the business of the Bank, as well as the enhancement of the Bank's competitive competency and sustainable growth.

As of 31 December 2016, the members of the Board of Directors are:

1. Mr. Bharat Padmanabhan	Chairman
2. Mr. Pakorn Malakul Na Ayudhya	Independent Non-Executive Deputy Chairman
3. Ms. Thippaporn Gertphol	Independent Director
4. Prof. (Special) Somchai Richupan Ph.D.	Independent Director
5. Mr. Plakorn Wanglee	Director
6. Ms. Oranuch Nampoolsuksan	Director
7. Mr. Faisal Abu Shaar	Director

### Secretary:

Ms. Chalida Chakreyarat                      Company Secretary

As of 31 December 2016, the directors authorised to act on behalf of the Bank are:

1. Mr. Plakorn Wanglee	Director
2. Ms. Oranuch Nampoolsuksan	Director
3. Mr. Faisal Abu Shaar	Director

Authorisation conditions: Two of the three directors jointly sign with the company seal affixed.

In 2016, there were 10 meetings of the Board of Directors. The meeting attendance record of each director in 2016 is presented below:

Name	Period	Attendance/Number of Meetings
Mr. Bharat Padmanabhan	01 Jan 16 – 31 Dec 16	08/08
Mr. Pakorn Malakul Na Ayudhya	01 Jan 16 – 31 Dec 16	10/10
Ms. Thippaporn Gertphol	01 Jan 16 – 31 Dec 16	10/10
Prof. (Special) Somchai Richupan Ph.D.	01 Jan 16 – 31 Dec 16	09/10
Mr. Plakorn Wanglee	01 Jan 16 – 31 Dec 16	03/03
Ms. Oranuch Nampoolsuksan	01 Jan 16 – 31 Dec 16	10/10
Mr. Faisal Abu Shaar *	01 Jan 16 – 31 Dec 16	0/0

\* His appointment as director is effective post the last Board Meeting of the year.

## 2. Executive Committees

The Executive Committee is responsible for the day-to-day management, operations, and control of the Bank in conformity with policies and strategies approved by the Board of directors. After the reorganization in November 2016, the Country Management Team (previously known as the Core Executive Committee) is chaired by the CEO and comprises of senior executives from Retail Banking, Commercial Banking, Financial Markets, Transaction Banking, Risk Management, Information Technology and Operations, Finance, Human Resources, COO and Compliance.

As of 31 December 2016, the members of the Country Management Team included:

1. Mr. Plakorn Wanglee	President and Chief Executive Officer and SEVP, Global Banking as Chairman
2. Ms. Auraratana Jutimitta	SEVP, Retail Banking
3. Mr. Ashish Sharma	SEVP, Commercial Banking
4. Ms. Anchalee Bunsongsikul	SEVP, Financial Markets
5. Ms. Parnkae Nandavisai	SEVP, Transaction Banking

6. Mr. Faisal Abu Shaar	SEVP, Risk Management
7. Mr. Christopher Melbourne Jenkins	SEVP, Information, Technology and Operations
8. Ms. Oranuch Nampoolsuksan	SEVP, Finance
9. Ms. Bubphawadee Owararinth	SEVP, Human Resources
10. Ms. Chew Kim Ling	SEVP, COO
11. Ms. Ladawan Yasothorn	SEVP, Compliance

### Secretary:

Mr. Krerk Kritchanarat                      VP, Business Planning, CEO Office

## 3. Audit Committee

The Audit Committee appointed by the Board of Directors, comprises three Independent Directors; one of whom has a professional background in finance, accounting, and internal controls. The major responsibilities of the Audit Committee are to review the sufficiency and credibility of financial reporting; to review the adequacy and effectiveness of internal control systems and internal audit functions; to review any required compliance matters to ensure adherence to the rules and regulations of Financial Institutions Business Act and any other relevant law and regulations; to consider and advise the appointment of the external auditors, decide on the appropriate level of audit fees and disclosure compliance on any aspect of connected transactions and conflicts of interest.

As of 31 December 2016, the members of the Audit Committee are:

1. Ms. Thippaporn Gertphol	Chairman
2. Mr. Pakorn Malakul Na Ayudhya	Member
3. Prof. (Special) Somchai Richupan Ph.D.	Member

### Joint Secretary:

1. Ms. Sudarat Kongtreekaew	Senior Executive Vice President, Audit
2. Ms. Chalida Chakreyarat	Company Secretary

## 4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises three Independent Directors appointed by the Board of Directors. The key responsibilities of the Committee involve the setting up policies, rules and procedures relating to (i) the nomination process for the selection of persons to serve as directors on the Board of Directors of Standard Chartered Bank (Thai) PCL., (ii) the nomination process for members in subcommittees whose responsibilities and authorities are directly granted by the Board of Directors, as well as (iii) the nomination process for senior executives from the level of Executive Vice President and above, or any person of equivalent rank, whatever the name of the position. The Committee selects and proposes names of qualified candidates for such positions to the Board of Directors for consideration and approval. The Committee also promotes transparency and consistency in the formulation and application of remuneration and benefits of the directors and senior executives from the level of Executive Vice President and above, or any person of equivalent rank, whatever the name of the position, to enable the Board of Directors to make appropriate decisions on remuneration.

As of 31 December 2016, the members of the Nomination and Remuneration Committee are:

1. Mr. Pakorn Malakul Na Ayudhya	Chairman
2. Ms. Thippaporn Gertphol	Member
3. Prof. (Special) Somchai Richupan Ph.D.	Member

### Secretary:

Ms. Chalida Chakreyarat                      Company Secretary

## 5. Risk Committee

The Risk Committee's main responsibilities are to provide leadership on forward looking and anticipated risk issues covering strategic risk, operational risk, credit risk, market risk, reputational risk, legal and regulatory risk, etc. The Committee also supervises and directs the management of all risks within the Bank to be in accordance with standards of the Standard Chartered Group and policies as approved by SCBT's Board of Directors.

**As of 31 December 2016, the members of the Risk Committee are:**

- |                              |  |
|------------------------------|--|
| 1. Mr. Plakorn Wanglee       | President and Chief Executive Officer and SEVP, Global Banking as Chairman |
| 2. Mr. Faisal Abu Shaar      | SEVP, Risk Management  |
| 3. Ms. Oranuch Nampoolsuksan | SEVP, Finance  |
| 4. Mr. Ashish Sharma         | SEVP, Commercial Banking   |
| 5. Ms. Auraratana Jutimitta  | SEVP, Retail Banking   |
| 6. Ms. Ladawan Yasothorn     | SEVP, Compliance   |

**Secretary:**

Ms. Sodkanok Asavapivat SVP, CIB & CB Credit Risk

**6. Corporate & Institutional Banking and Commercial Banking Approval Committee (CIB & CB AC)**

The CIB & CB AC supervises and directs the credit risk management of accounts under Corporate & Institutional Banking and Commercial Banking, including regular and problem accounts. Its main responsibilities are to review and approve credits and other matters as required by credit policies, as well as to review and monitor portfolio performance. The Committee also ensures that an effective risk management process is in place and functioning and such process and procedure meets the standard laid down in the "Risk Policies and Procedure" and "Group Special Assets Management, Group Policy and Procedures Manual" of Standard Chartered Group as adopted by SCBT Board of Director from time to time to the extent they are relevant to the business of SCBT and local regulatory requirement.

**As of 31 December 2016, the members of the CIB & CB AC are:**

- |                                      |  |
|--------------------------------------|--|
| 1. Mr. Faisal Abu Shaar              | SEVP, Risk Management as Chairman                              |
| 2. Mr. Wasant Polcharoen             | SVP, CIB & CB Credit Risk                                      |
| 3. Ms. Kamonkarn Kongkathong         | SVP, CIB & CB Credit Risk                                      |
| 4. Mr. Preechaphol Tantiprasitthikul | SVP, CIB & CB Credit Risk                                      |
| 5. Ms. Sodkanok Asavapivat           | SVP, CIB & CB Credit Risk                                      |
| 6. Mr. Surathai Rajatanavin          | SVP, Acting Head of GSAM (Group Special Asset Management)      |
| 7. Mr. Plakorn Wanglee               | President and Chief Executive Officer and SEVP, Global Banking |
| 8. Mr. Ashish Sharma                 | SEVP, Commercial Banking                                       |
| 9. Ms. Chintana Kittviboolmas        | EVP, Financial Institution                                     |
| 10. Ms. Anchalee Bunsongsikul        | SEVP, Financial Markets  |

**Joint Secretary:**

Ms. Buntita Piamthipmanus Manager, Credit Risk Control  
 Ms. Paramee Khwansuwan Assistant Manager, Credit Risk Control

**7. Retail Banking Approval Committee (RB AC)**

The RB AC supervises and directs the credit risk management of accounts under Retail Banking within Standard Chartered Bank (Thai). Its main responsibilities are to approve credits and to ensure that Processes and Procedures in place for monitoring and control of risk meet the standards set down in the "Risk Policies and Procedure" and "Group Special Assets Management (GSAM), Group Policy and Procedures Manual" of Standard Chartered Group as adopted by SCBT Board of Directors from time to time to the extent they are relevant to the businesses of SCBT and local regulatory requirement.

**As of 31 December 2016, the members of the RB AC are:**

- |                                   |   |
|-----------------------------------|---|
| 1. Mr. Martin Searle              | EVP, Retail Banking Credit Risk as Chairman |
| 2. Ms. Auraratana Jutimitta       | SEVP, Retail Banking                        |
| 3. Mr. Theerawat Jiamwiryasathian | SVP, Risk Analytics                         |
| 4. Ms. Phacharin Chomvinya        | SVP, Credit Initiation                      |
| 5. Ms. Pornpittaya Wechnuwat      | SVP, Credit Quality Assurance & Control     |
| 6. Mr. Nutthasan Tantasuralerk    | SVP, Collection                             |

**Secretary:**

Ms. Chanyaphak Visajjorn VP, Acting Head, Credit Policy & Portfolio Risk

**8. Country Operational Risk Committee**

The Country Operational Risk Committee's main responsibilities are to oversee, assess, and monitor the Bank's operational risk exposures and to ensure full compliance with internal policies and relevant regulations.

**As of 31 December 2016, the members of the Country Operational Risk Committee are:**

- |                                       |  |
|---------------------------------------|--|
| 1. Mr. Plakorn Wanglee                | President and Chief Executive Officer and SEVP, Global Banking as Chairman |
| 2. Ms. Oranuch Nampoolsuksan          | SEVP, Finance  |
| 3. Mr. Faisal Abu Shaar               | SEVP, Risk Management  |
| 4. Ms. Chintana Kittviboolmas         | EVP, Financial Institutions  |
| 5. Mr. Ashish Sharma                  | SEVP, Commercial Banking   |
| 6. Ms. Anchalee Bunsongsikul          | SEVP, Financial Markets  |
| 7. Ms. Parnkae Nandavisai             | SEVP, Transaction Banking  |
| 8. Mr. Sachin Bhambani                | EVP, Wealth Management   |
| 9. Ms. Auraratana Jutimitta           | SEVP, Retail Banking   |
| 10. Mr. Kraitos Plianbangchang        | EVP, Legal   |
| 11. Ms. Ladawan Yasothorn             | SEVP, Compliance   |
| 12. Mr. Christopher Melbourne Jenkins | SEVP, Information, Technology & Operations                                 |
| 13. Ms. Bubphawadee Owararinth        | SEVP, Human Resources  |
| 14. Ms. Kim Ling Chew                 | SEVP, Chief Operating Officer  |
| 15. Mr. Pharkpoom Sukhambhiranond     | SVP, Operational Risk  |

**Secretary:**

Mr. Pharkpoom Sukhambhiranond SVP, Country Operational Risk

**9. Credit Issues Committee**

The Credit Issues Committee's three main responsibilities, covering Corporate & Institutional Banking (CIB), Commercial Banking (CB), Retail Banking and Group Special Assets Management (GSAM), are as follows: First, review portfolio reports and out come from portfolio reviews to ensure credit issues / adverse trends in the portfolio are identified and addressed through appropriate actions. Second, maintain an effective oversight over the existing early alert (EA) portfolio, including the movement in and out of EA, review the proposed actions and escalate as appropriate. Third, review and monitor remedial strategies and actions for credit accounts, which require special supervisions due to impairment of their credit quality.

**As of 31 December 2016, the members of the Credit Issues Committee are:**

- |                               |  |
|-------------------------------|--|
| 1. Mr. Plakorn Wanglee        | President and Chief Executive Officer and SEVP, Global Banking as Chairman |
| 2. Mr. Faisal Abu Shaar       | SEVP, Risk Management  |
| 3. Ms. Oranuch Nampoolsuksan  | SEVP, Finance  |
| 4. Mr. Ashish Sharma          | SEVP, Commercial Banking   |
| 5. Ms. Auraratana Jutimitta   | SEVP, Retail Banking   |
| 6. Ms. Chintana Kittviboolmas | EVP, Financial Institution   |
| 7. Mr. Surathai Rajatanavin   | Acting Head of GSAM  |

**Joint Secretary:**

Ms. Buntita Piamthipmanus Manager, Credit Risk Control  
 Ms. Paramee Khwansuwan Assistant Manager, Credit Risk Control  
 Ms. Suthicha Sungnuch Assistant Manager, GSAM  
 Ms. Chanyaphak Visajjorn Acting Head, Credit Policy & Portfolio Risk



#### 10. Model Assessment Committee

The main responsibilities of the Model Assessment Committee are to assess models for their suitability and compliance with local regulatory requirements before recommending the models to the Risk Committee for approval, ensure that periodic model assessments are undertaken and to ensure that deliverables are completed and delivered.

As of 31 December 2016, the members of the Model Assessment Committee are:

- |                               |  |
|-------------------------------|--|
| 1. Mr. Faisal Abu Shaar       | SEVP, Risk Management as Chairman                              |
| 2. Mr. Martin Searle          | EVP, RB Credit Risk  |
| 3. Ms. Oranuch Nampoolsuksan  | SEVP, Finance  |
| 4. Mr. Plakorn Wanglee        | President and Chief Executive Officer and SEVP, Global Banking |
| 5. Mr. Ashish Sharma          | SEVP, Commercial Banking                                       |
| 6. Ms. Chintana Kittviboolmas | EVP, Financial Institution                                     |
| 7. Ms. Anchalee Bunsongsikul  | SEVP, Financial Markets  |
| 8. Ms. Auraratana Jutimitta   | SEVP, Retail Banking   |
| 9. Ms. Ladawan Yasothorn      | SEVP, Compliance   |

Secretary:

Mr. Theerawat Jiamwiriyasathian SVP, Portfolio Monitoring & Forecast

#### 11. External Property Valuation Committee

As of 31 December 2016, the members of the External Property Valuation Committee included:

- |                                      |   |
|--------------------------------------|---|
| 1. Mr. Martin Searle                 | EVP, Retail Banking Credit Risk as Chairman         |
| 2. Mr. Faisal Abu Shaar              | SEVP, Risk Management                               |
| 3. Ms. Chanyaphak Visaijorn          | VP, Acting Head, Credit Policy & Portfolio Risk     |
| 4. Mr. Surathai Rajatanavin          | SVP, Acting Head of GSAM                            |
| 5. Ms. Phacharin Chomvinya           | SVP, Head of Risk Retail Operation                  |
| 6. Mr. Wasant Polcharoen             | SVP, CIB & CB Credit Risk                           |
| 7. Ms. Kamonkarn Kongkathong         | SVP, CIB & CB Credit Risk                           |
| 8. Mr. Preechaphol Tantiprasitthikul | SVP, CIB & CB Credit Risk                           |
| 9. Ms. Sodkanok Asavapivat           | SVP, CIB & CB Credit Risk                           |
| 10. Mr. Pote Ratanaprug              | AVP, Credit Policy & Portfolio Risk Secured Lending |

Secretary:

Mr. Pote Ratanaprug AVP, Credit Policy & Portfolio Risk Secured Lending

#### 12. Stress Testing Forum

The Stress Testing Forum develops stress scenarios, assesses impacts both qualitative and quantitative across risk types on stress test results, recommends mitigating actions, and establishes management triggers for Risk Committee and Asset and Liability Committee approvals.

As of 31 December 2016, the members of the Stress Testing Forum are:

- |                                  |  |
|----------------------------------|--|
| 1. Mr. Faisal Abu Shaar          | SEVP, Risk Management as Chairman                              |
| 2. Ms. Oranuch Nampoolsuksan     | SEVP, Finance  |
| 3. Mr. Plakorn Wanglee           | President and Chief Executive Officer and SEVP, Global Banking |
| 4. Mr. Martin Searle             | EVP, RB Credit Risk  |
| 5. Ms. Potchana Jirawanidchakorn | SVP, Market and Liquidity Risk                                 |

Secretary:

Mr. Wasant Polcharoen SVP, CIB & CB Credit Risk

#### 13. Thailand Benchmark Rates Review Committee

The Benchmark Rates Review Committee is required by applicable regulations and guidelines such as "Code of Conduct for BIBOR submission" by Bank of Thailand to govern the benchmark rates setting, submission, monitoring and review policies.

As of 31 December 2016, the members of Thailand Benchmark Rates Review Committee are:

- |                                  |                                |
|----------------------------------|--------------------------------|
| 1. Ms. Oranuch Nampoolsuksan     | SEVP, Finance as Chairman      |
| 2. Ms. Anchalee Bunsongsikul     | SEVP, Financial Markets        |
| 3. Ms. Ladawan Yasothorn         | SEVP, Compliance               |
| 4. Ms. Potchana Jirawanidchakorn | SVP, Market and Liquidity Risk |

**Secretary:**

Ms. Phoonisa Charoentong VP, Financial Markets

#### 14. Underwriting Committee (UWC)

The Underwriting Committee's main responsibilities are to approve underwriting applications for the Primary Book in accordance with the terms and conditions of the product programme for Fixed Income and to oversee the secondary market corporate trading activities within Global Markets; to review, opine and make decisions on "stick" positions and to consider any other business within Corporate & Institutional Clients that the Chairman of the underwriting committee deems appropriate, e.g. asset securitisation.

As of 31 December 2016, the members of the UWC are:

- |                                  |  |
|----------------------------------|--|
| 1. Mr. Plakorn Wanglee           | President and Chief Executive Officer and SEVP, Global Banking |
| 2. Mr. Faisal Abu Shaar          | SEVP, Risk Management  |
| 3. Ms. Anchalee Bunsongsikul     | SEVP, Financial Markets  |
| 4. Ms. Potchana Jirawanidchakorn | SVP, Market and Liquidity Risk                                 |
| 5. Ms. Chintana Kittiviboolmas   | SEVP, Financial Institution                                    |
| 6. Mr. Ashish Sharma             | SEVP, Commercial Banking                                       |

**Secretary:**

Mr. Montri Upathambhakul SVP, Debt Capital Markets

#### 15. Country Data Governance Committee

This committee ensures that an effective Country strategy and approach is in place and maintained in respect of data quality management frameworks, data quality management strategy, priorities, standards and metrics taking account of the information related requirements of internal and external stakeholders

As of 31 December 2016, the members of the Country Data Governance Committee are

- |                                      |  |
|--------------------------------------|--|
| 1. Mr. Christopher Melbourne Jenkins | SEVP, Information, Technology & Operations as Chairman         |
| 2. Mr. Faisal Abu Shaar              | SEVP, Risk Management  |
| 3. Ms. Oranuch Nampoolsuksan         | SEVP, Finance  |
| 4. Mr. Pharkpoom Sukhambhiranond,    | SVP, Operational Risk  |
| 5. Mr. Plakorn Wanglee               | President and Chief Executive Officer and SEVP, Global Banking |
| 6. Mr. Ashish Sharma                 | SEVP, Commercial Banking                                       |
| 7. Ms. Auraratana Jutimitta          | SEVP, Retail Banking   |
| 8. Ms. Anchalee Bunsongsikul         | SEVP, Financial Market   |
| 9. Ms. Chintana Kittiviboolmas       | SEVP, Financial Institutions                                   |
| 10. Mr. Ladawan Yasothorn            | SEVP, Compliance   |
| 11. Ms. Anchulee Laopongsorn         | SVP, Risk and Control, Information, Technology & Operations    |
| 12. Ms. Aree Polerdsawat             | SVP, Financial Controls and Reporting                          |

**Secretary:**

Mr. Taweesak Hirunyapraphip SVP, Information, Technology & Operations

## Internal controls

The effectiveness of the Bank's internal control system is reviewed regularly by the Board, Executive Committee, Senior Management, and Country Internal Audit.

The Audit Committee monitors the integrity of the Bank's financial reporting, compliance, and internal control environment. Country Internal Audit regularly updates the audit results to the Audit Committee, the Chairman, and the Country Chief Executive Officer.

The findings of all adverse audits are reported to the Audit Committee, Country Operational Risk Committee, and the Country Chief Executive Officer where any necessary immediate corrective actions are undertaken.

Country Internal Audit performs an independent review of the areas determined by risk assessment to

ensure that the established controls are operating effectively and as intended. This will also ensure compliance with local rules and regulations, Group policies, and procedures including the operational risk management framework.

The Audit Committee reviewed the effectiveness of the Bank's internal control system during the year ended 31 December 2016, and reported to the Board.

The Audit Committee has reviewed and approved the annual audit plan, monitored the status of the ongoing audit work, and reviewed the key findings with the Country Head of Audit. In this respect, based on the work completed and reports from 2016, the Audit Committee is satisfied that no matter requires separate disclosure under this heading. The Bank's external auditors have also been invited to raise

any matter they considered pertinent relating to the control environment and the financial statements with the Audit Committee.

The performance of the Bank's business is reported regularly to senior line management and the Board. Performance, trends, forecasts, and actual performance against budgets and prior periods are closely monitored. Financial Information is prepared using appropriate accounting policies, which are applied consistently. Operational procedures and controls have been established to facilitate complete, accurate, and timely processing of transactions and the safeguarding of assets. These controls include appropriate segregation of duties, the regular reconciliation of accounts, as well as the valuation of assets and positions.



# Corporate governance

## Corporate governance

The Bank realizes that good corporate governance is fundamental to its operational success as it enhances organizational efficiency and maximizes effectiveness for all concerned parties including shareholders, stakeholders, local banking communities, as well as society as a whole.

Translating these principles into practice, the Bank is committed to undertake its professional activities with prudence, fairness, honesty, and integrity. Moreover, the Bank has established a long-term strategic plan towards sustainable growth and has pursued its vision of professional practice that strengthens the organization's competitive edge while adhering to accepted business codes of conduct and professional ethics. Its ultimate objectives are to maximize shareholders' economic value and to drive the organization towards international banking practices underpinned by high operational standards and quality services.

In this regard, the Bank emphasizes having structures and procedures of good relationships among the Board of Directors, its management, and its shareholders in order to create confidence and enhance the trust of its shareholders, investors, stakeholders, and all concerned parties. It also places the utmost emphasis upon the roles and responsibilities of the Board of Directors and other governance committees and compliance with the good governance practices proposed by Bank of Thailand, the Securities and Exchange Commission, and the Standard Chartered Group to ensure the interests of all stakeholders are protected.

The Bank has formulated policies, regulations, and procedures for

consideration and approval of related party transactions in compliance with all applicable regulations set out by Bank of Thailand and the Securities and Exchange Commission. The main aim is to ensure that its related party transactions with connected entities, including subsidiaries, affiliates, relevant companies and potential conflicting parties are in line with reasonable criteria and procedure to ensure that fair prices and conditions are applied. Not only do these measures result in optimum benefit to the Bank and its shareholders, but they will also prevent any conflict of interest.

The Bank has published and distributed to its employees the "Group Code of Conduct" adopted from the Standard Chartered Group and approved by the Bank's Board of Directors and/or Executive Committee as the business Code of Conduct for all staff. The Code governs a high standard of integrity, based on lawful practices and recommended business ethics. The Code outlines interpersonal dealings among bank staff and with outsiders. This code of conduct covers, among other topics, inside dealing, bribery and corruption, managing of conflict of interests as well as speaking up.

## Board structure

As of 31 December 2016, the Board of Directors comprises seven Board members: three are Executive Directors, three are Independent Directors and one is Non-Executive Director who is overseas resident residing in Singapore.

Regarding the balance of power among Board members, at present there are three appointed Independent Directors, the number of which is in line with the corporate governance

guidelines recommended by Bank of Thailand and the Securities and Exchange Commission. The guidelines propose that at least one third of the Board members are Independent Directors, and that the total number of Independent Directors on the Board should be no less than three. Each Independent Director possesses qualifications as required by Bank of Thailand and the Securities and Exchange Commission. In addition, in compliance with Bank of Thailand's good governance practices, each Board member currently provides his/her chairman, executive director, or director with signatory power, single or several, in other companies of not more than three business groups, so that he/she can efficiently perform his/her responsibility as the Board member and avoid any occurrence of possible conflicts of interest. The roles of the Chairman and the Chief Executive Officer are separated and are not the same person. The Chief Executive Officer, who also serves as the Board member, is in charge of the day-to-day management of the Bank.

## Subcommittees

### Audit Committee

The Audit Committee comprised three Independent Directors. The Chairman possesses strong knowledge and experience in reviewing financial statements. The Bank's Company Secretary and Head of Audit jointly work as the Secretaries to the Audit Committee.

The major responsibilities of the Audit Committee are to review the credibility and sufficient disclosure of the Bank's financial statements, to assess efficiency and suitability of internal audit and control systems, to ensure continued regulatory compliance,

and to prepare the Annual Audit Committee Report. In addition, the Audit Committee also duly performs all prescribed tasks required by Bank of Thailand, the Securities and Exchange Commission, and the relevant laws and regulations.

The Audit Committee meets at least four times a year. The presence of two members forms a quorum for a meeting. If deemed suitable and appropriate, the Committee members can request a joint meeting with the presence of external auditors and key personnel of the Bank's various functions, such as Finance, and/or Compliance.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises three Independent Directors nominated and appointed by the Board of Directors.

This Committee's scope of responsibility and major duties involves the setting up of policy, rules and procedures relating to the nomination and selection of persons to serve as the Board members of Standard Chartered Bank (Thai) PCL, members of subcommittee whose duties, responsibilities and authorities are directly given by the Board of directors, as well as senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the name of the position. The Committee selects and proposes names of qualified candidates for such positions to the Board of Directors for consideration and approval. The Committee provides strategic advice and assistance to the Bank's management in order to proactively promote efficiency and equilibrium in the Bank's managerial structure and human resources scheme.

The Committee also recommends remuneration and benefits policy as

well as remuneration and benefits provided to the Board of Directors and senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the name of the position, and clean and transparent criteria for consideration and approval by the Board of Directors. In addition, the Nomination and Remuneration Committee duly performs all prescribed tasks required by Bank of Thailand.

### Risk Committee

The Risk Committee comprises at least five members who are appointed by the Board of Directors.

The Committee's main responsibilities are to provide leadership on forward vision and to anticipate risk issues covering strategic risk, operational risk, credit risk, market risk, reputational risk, legal and regulatory risk, etc.

The Committee also supervises and directs the management of all risks within the Bank to be in accordance with standards of Standard Chartered Group and policies approved by SCBT's Board of Directors.

### Other special committees

The Bank has formed other special committees to assist the Board of Directors in its supervisory and monitoring tasks, such as the Executive Committee, the Asset & Liability Committee, the People Development Committee, the Country Operational Risk Committee, the Credit Issue Committee, the Model Assessment Committee, the Corporate & Institutional Banking and Commercial Banking Approval Committee, the Retail Banking Approval Committee, the Thailand Benchmark Rates Review Committee, the External Property Valuation Committee, the Underwriting Committee, the Stress Testing Forum, and the Data Governance Committee.

Details on their roles and duties appear in the "Structure of Management" section in this annual report.

## Role and responsibilities of the Board of Directors

The Board of Directors has a duty to formulate policies and the strategic direction of the Bank, as well as to ensure that the management team has properly and effectively implemented the Bank's policies, not only in accordance with their formulated guidelines, but also in compliance with prevailing legal frameworks and acceptable business ethics. The Board of Directors also considers issues related to possible conflicts of interest, as well as oversees operational controls, financial reporting and general risk management policy.

The Bank realizes the principles of good corporate governance and sets best practices for the way in which companies are run and managed; the structure and role of the Board of Directors; relations with stakeholders and the framework of internal control. Therefore the Bank has always aspired to make governance responsibility a high priority, demonstrating this by its application of the principles of corporate governance policy and the charters and guiding principles set by other special committees, as the framework for governance within the Bank. Segregation of duties between the Board of Directors and the management team is implemented to demonstrate the Bank's accountability towards its shareholders. The Board members enjoy complete freedom in expressing their views and making their decisions regarding operational policies that will yield maximum benefits to the Bank and its shareholders. The Board of Directors also takes an active role in regularly monitoring the management's performance and achievements.

It is the policy of the Standard Chartered Group that every aspect of its business and operations be conducted within

a comprehensive system of delegated authority. Directors and employees are duly empowered to carry out the responsibilities given to them.

The Bank is committed to managing risk and to controlling its business and financial activities in a manner that enables it to maximize profitable business opportunities, avoid or reduce risks that can cause loss or reputational damage, ensure compliance with applicable law and regulations, and enhance resilience to external events. To achieve this, the Bank sets up an internal control and audit process to oversee management activities, authorization limits, and risk assessment such as in banking transactions, operational functions, credit quality and financial reporting, etc. This process is reviewed regularly by the Board of Directors, which is responsible for ensuring that high standards of responsible business are maintained and that an effective control framework is in place.

In addition, job descriptions and organograms have been developed to illustrate particular responsibilities and reporting lines.

The principles for establishing delegated authority are clearly stated in the Bank's Delegated Authority Manual while the delegated authority of any individual employee is confirmed in writing so far as reasonably practicable and is subject to periodic review. In brief, the Bank has a well-designed internal control and audit system with monitoring elements to ensure that its operations consistently comply with applicable rules, regulations, laws, and ethical codes. The Bank also encourages the practice of good governance among its Board management, and staff by regularly updating them with prevailing compliance knowledge as well as promoting professionalism.

### Board meetings

The Board of Directors is scheduled to meet regularly at least nine times a year. It is compulsory for each Board member, either resident or non-resident, to attend these meetings. In case of an emergency or the inability to personally attend such meetings due to any unavoidable circumstance, teleconferences are then provided. The Bank usually notifies the Board members in advance about yearly pre-scheduled Board meeting dates. For each meeting, the agenda is clearly set and generally presented to the directors in advance through meeting notifications, attached with supplementary information for review and consideration. Such arrangements are undertaken to ensure timely receipt of information by all directors prior to any meeting date, so that they can efficiently perform their tasks in monitoring the Bank's business strategies, operating results and regulatory compliance. Top-level executives of the Bank are always invited to attend the Board meetings and to submit to the Board of Directors their relevant reporting. In the meetings, the Board of Directors also has opportunities to post questions, present their views, and provide suggestions to the executives, as well as thoroughly debate any issue at the Board meeting before conclusion. The minutes of each Board meeting are documented by the Company Secretary and subsequently submitted to the Board of Directors during their next meeting for verification and approval. All approved minutes are kept for future reference.

### Remuneration

The remuneration of the Board members is fixed by the resolution of the Shareholders' Meeting provided by a majority of votes of no less than two-thirds of the total votes cast. The Nomination and Remuneration Committee regularly monitors remuneration of the Board of Directors,

and provides their recommendations to the Bank to ensure that levels of such remuneration are appropriate.

Four directors who are employees of Standard Chartered Group do not accept any remuneration for their directorship.

Additional details on the Bank's remuneration policy for directors are included in the "Structure of Management" section shown in this annual report.

### Board and Management training

The Board of Directors also encourages its members to attend key courses, arranged by the Thai Institute of Directors, for fiduciary knowledge and skill development. The Bank provides educational sessions on some banking products to the Board of Directors. The Bank also arranges regular training courses for its executives and constantly reviews succession plans for its key positions.

### Management of Inside and Confidential Information

- The Bank set up code of conduct for staff covering the use of inside information and personal account dealing policy, to eliminate risk on securities trading
- The Bank required directors and persons with management authority (as defined in the Financial Institution Business Act, A.D. 2008) to disclose and report the information on their shareholdings.
- The Bank strictly limited the use of hard disk drive and thumb drive of the staff to prevent the leakage of the Bank and the customers' data.
- The Bank set up the Data Leakage Prevention Policy and started using the online system i.e. the Enterprise Investigations Management System (EIM) which will help managers in case that their staffs

in the department violate the policy by sending the confidential information to unauthorized recipients outside the Bank or sending information in a way that is against the regulation of the Bank.

### Company Secretary

The Board of Directors appointed Ms. Chalida Chakreyarat as company secretary with the responsibilities to support the Board on statutory and good corporate governance matters as set forth by law, to serve as the center for corporate records such as

juristic person register, the memorandum and articles of associations, as well as to communicate to general shareholders.

Educational background, work experience and records on attending relevant training programs are as follows:

Ms. Chalida joined Standard Chartered Bank (Thai) PCL in 2000 and held many positions in areas of Group Special Asset Management and Human Resources. She was appointed as Company Secretary in

2008. Prior to joining the Bank, she held many front roles with various financial institutions including Deutsche Bank, Bank of Tokyo and Cathay Trust.

Ms. Chalida received a Bachelor of Banking and Finance from Chulalongkorn University; a Master of Business Administration from Oklahoma City University, USA. Also she completed the Company Secretary Program, Effective Minute Taking, Company Reporting Program and Board Reporting Program, of the Thai Institute of Directors.



# Risk

## 1. Strategic Risk

Strategic risk is the risk linked to undertaking business activities and providing services in the banking sector that is aligned to the strategic direction of the bank. It directly correlates with economic cycles and global/ regional/ national political stability.

Fully aware of these factors and their related risks, the Bank always undertakes operations with prudence and is alert to any proactive and responsive reaction that may be required. Regular reviews of the performance of businesses are done to assess business risks and assure appropriate management reactions. The reviews include corporate financial performance measures, capital usage, resource utilisation, human resources and risk statistics to provide a broad understanding of the current business situation.

## 2. Credit Risk

Credit risk involves the risk of potential loss resulting from any failure of the Bank's borrowers or counterparties in honouring their financial or contractual obligations to the Bank and/or of their inability to settle obligations in accordance with the agreed terms.

In this respect, relevant credit exposures could include the Bank's borrowers from the Corporate & Institutional Banking ("CIB"), Commercial Banking ("CB"), and Retail Banking ("RB") segments, as well as connected individuals and business groups of the Bank's trading parties and portfolios.

The overarching and forward-looking credit risk management tools

implemented are governed by risk appetite and DEFCON principles. Credit authority is delegated by the Risk Committee to Senior Credit Officer for CIB and CB credit risk; and to Country Credit Head for RB credit risk. Both Credit Heads are empowered to further delegate credit authority to other approvers to enable them to perform the daily approval tasks in accordance with the Risk Processes and Procedures adopted.

There are 3 credit committees that are relevant to credit risk management, including the CIB & CB Approval Committee ("CIB & CB AC"), the RB Approval Committee ("RB AC"), and the Credit Issue Committee ("CIC"). These committees comprise senior management from the Risk and Business functions, including the Chief Executive Officer. Responsibilities of these credit committees can be refer in more details in Section 7. Credit risk management can be subdivided into Retail Clients Credit Risk and Corporate and Institutional Clients Credit Risk.

### Retail Banking Credit Risk ("RB Credit Risk")

Retail Banking Credit Risk relates to lending activities in Retail Banking, both secured and unsecured, as well as Business Clients. To ensure that its risk management strategies are effective, the Bank has adopted a sound business-specific credit control policy and stringent risk acceptance criteria, tailored to the specific lending products.

Sophisticated risk acceptance and monitoring procedures are in place and kept under constant review as appropriate.

Effective management of risk is seen as a core competency within Retail Banking. One of the key elements of the risk management philosophy is for the risk functions to operate as an independent control working in partnership with the business units to provide a competitive advantage to the Bank.

The Bank's retail loan portfolios are well diversified in terms of both clients and products.

### Corporate and Institutional Banking and Commercial Banking Credit Risk ("CIB & CB Credit Risk")

CIB & CB Credit Risk includes the Bank's commercial lending to corporate and institutional clients such as organisations, banks and government entities, as well as payment risk of its counterparties for due financial contracts.

Credit officers are mainly responsible for the credit risk management of their portfolios in accordance with the Bank's guidelines and risk management practices, which cover items such as authorisation criteria, limit levels, credit control and collateral management.

Appropriate allocation and sound diversification of lending portfolios among suitable industries are also key objectives of the Bank. Additional CIB & CB credit risk measures include: a uniform risk rating procedure; regular credit risk monitoring by an independent Credit Risk Control (CRC) unit; standardised loan documentation; early identification of problem accounts and remedy thereof.

## 3. Liquidity Risk

Liquidity risk is the risk that the Bank does not have sufficient financial resources available to meet all its obligations as they fall due without incurring excessive cost.

It is the Bank's policy to maintain adequate liquidity at all times, and hence to be in a position to meet obligations as they fall due. The Bank manages liquidity risk both on a short-term and structural basis. In the short term, the Bank's focus is on ensuring that the cash flow demands can be met where required. In the medium to long term, the focus is on ensuring that the balance sheet remains structurally sound and aligned to our funding strategy.

The Asset & Liability Committee (ALCO) is the responsible governing body to ensure that the balance sheet of the Bank is managed effectively in compliance with the policies and practice of the Standard Chartered Group as well as any other applicable regulatory requirements.

Asset and Liability Management (ALM) is responsible for the day-to-day management of all the liquidity risk arising in the Bank, executing liquidity directives and operating within the liquidity policy and approved limits. Liquidity profiles are reviewed by ALCO on a regular basis.

Group Treasury (GT) proposes and oversees the implementation of policies and other controls relating to liquidity risks.

The Bank seeks to manage our liquidity prudently for all currencies. Exceptional market events could impact us adversely, thereby potentially affecting our ability to fulfil our obligations as they fall due. The principal uncertainties for liquidity risk are the customers withdraw their

deposits at a substantially faster rate than expected, or that asset repayments are not received on the expected maturity date. To mitigate these uncertainties, the Bank maintains a diverse and largely customer-driven funding base, while the Bank's customer loans are mostly of short tenor. In addition, the Bank has contingency funding plans including a portfolio of liquid assets that can be realised if a liquidity stress occurs, as well as ready access to wholesale funds under normal market conditions.

Customer assets are, as far as possible, funded in the same currency. Where mismatches arise, they are controlled by limits on the amount of foreign currency that can be swapped to local currency and vice versa. Such limits control the risk that obligations could not be met in the required currency in the event that access to foreign exchange markets becomes restricted. In sizing the limits the Bank considers a range of factors including the size and depth of foreign exchange markets and the regulatory environment.

A substantial portion of the Bank's assets is funded by customer deposit made up of current, saving accounts and other deposits. These customer deposits, which are widely diversified by type and maturity, represent a stable source of funds. The ALCO monitors trends in the balance sheet and ensure that any issues that might impact the stability of these deposits are addressed effectively. The ALCO also reviews the balance sheet plans to ensure that projected asset growth is matched by growth in the stable funding base.

The Bank also has access to wholesale funding markets including commercial paper issuance to ensure that it has flexibility around maturity transformation, market intelligence and can obtain

optimal pricing when performing interest rate risk management activities.

## 4. Market Risk

The Bank recognises market risk as the potential for loss of earnings or economic value due to adverse changes in financial market rates or prices. The Bank's exposure to market risk arises principally from client-driven transactions. The objective of the Bank's market risk policies and processes is to obtain the best balance of risk and return while meeting customers' requirements.

The primary categories of market risk for the Bank are:

- Interest rate risk: arising from changes in yield curves, credit spreads and implied volatilities on interest rate options
- Currency exchange rate risk: arising from changes in exchange rates and implied volatilities on foreign exchange options
- Commodity price risk: arising from changes in commodity prices and commodity option implied volatilities; covering energy, precious metals, base metals and agricultural. For this category of market risk, the Bank is fully hedged through a back-to-back position

The Bank has established standards, principles, policies, and techniques for managing market risk. The Board of Directors approve the Bank's market risk limits taking account of market volatility, the range of products and asset classes, business volumes and transaction sizes. Market Risk function, which is independent from the business, measures and monitors exposures against the approved limits to ensure the Bank's market risk exposures are within acceptable levels.

The Bank measures the risk of losses arising from future potential adverse

movements in market rates, prices and volatilities using a VaR (Value at Risk) methodology. VaR, in general, is a quantitative measure of market risk that applies recent historical market conditions to estimate the potential future loss in market value that will not be exceeded in a set time period at a set statistical confidence level.

VaR is calculated for expected movements over a minimum of one business day and to a confidence level of 97.5 percent. This confidence level suggests that potential daily losses, in excess of the VaR measures, are likely to be experienced six times per year.

The Bank applies two VaR methodologies:

- **Historical simulation:** involves the revaluation of all existing positions to reflect the effect of historically observed changes in market risk factors on the valuation of the current portfolio. This approach is applied for general market risk factors the majority of specific (credit spread) risk VaR.
- **Monte Carlo simulation:** this methodology is similar to historical simulation but with considerably more input risk factor observations. These are generated by random sampling techniques, but the results retain the essential variability and correlations of historically observed risk factor changes. This approach is now applied for some of the specific (credit spread) risk VaR in relation to idiosyncratic exposures in credit markets.

In both methods an historical observation period of one year is chosen and applied.

VaR is calculated as our exposure as at the close of business. Intra-day risk levels may vary from those reported at the end of the day.

Sensitivity measures are used in addition to VaR as a risk management tools. For example, interest rate sensitivity is measured in terms of exposure to a one basis point increase in yields.

The Bank complements the VaR measurement by monthly stress testing of market risk exposures to highlight the potential risk that may arise from extreme market events that are rare but plausible.

## 5. Operational Risk

Operational risk is the potential for loss from inadequate or failed internal processes, people, and systems or from the impact of external events, including legal risks. Operational risk exposures are managed through a consistent set of management processes that drive risk identification, assessment, control and monitoring. We seek to control operational risks to ensure that operational losses do not cause material damage to the Bank's franchise.

Operational risk can arise from all business lines and from all activities carried out by the Bank. We seek to systematically identify and manage operational risk by segmenting all the Bank's activities into end to end processes. Each of the processes has an owner who is responsible for identifying and managing all the risks that arise from those processes as an integral part of their first line responsibilities. Products and services offered to clients and customers in all our markets are also assessed and authorised in accordance with product governance procedures.

Although operational risk exposures can take many varied forms, we seek to manage them in accordance with standards that drive systematic risk identification, assessment, control and monitoring. These standards are

challenged and reviewed regularly to ensure their ongoing effectiveness.

Identified operational risk exposures are rated 'low', 'medium', 'high' or 'very high' in accordance with defined risk assessment criteria. Risks that are outside set materiality thresholds receive a differential level of management attention and are reported to senior management and Country Operational Risk Committee. Significant external events or internal failures that have occurred are analysed to identify the root cause of any failure for remediation and future mitigation. Actual operational losses are systematically recorded.

The Country Operational Risk Committee, chaired by the Chief Executive Officer, oversees the management of operational risks across the Bank. The Country Operational Risk Committee operate on the basis of delegated authorities and terms of reference, derived from the Board of Directors.

## Other Related Risks

Other related risks are risks such as regulatory and reputational risks, which are the normal consequences of any business undertaking.

## 1. Regulatory Risk

Regulatory risk refers to the risk of failure to comply with laws, regulations, rules, standards, and Code of Conduct applicable to its financial activities, material financial loss, or loss to reputation or regulatory intervention a financial institution may suffer as a result of its failure to such compliance.

The Bank has a Compliance Function to ensure an effective compliance with local and international regulations. The Bank has appropriate Compliance Policy and Procedures, together with Code of Conduct established as fundamental guidance for executives

and staff of the Bank to promote regulatory compliance awareness. The monitoring requirement on operational risk enhances on going risk assessment and helps ascertain proper compliance environment. The compliance risk review plan is also set forth including the review of business areas, according to the risk theme. These can mitigate business, legal and reputation risks and any important losses arising from non-compliance and also build credibility among all stakeholders including clients, employees, shareholders and regulators.

## 2. Reputational Risk

Reputation can be defined as a collection of perceptions and opinions, past and present, about an organisation that resides in the consciousness of its stakeholders and the public. Reputational risk is the potential that negative publicity regarding an institution's business practices, whether true or not, will cause a decline in the client base, costly litigation or revenue reduction. In addition, it relates to events or circumstances that could adversely impact an institution's reputation.

The Bank's measures regarding this risk include curbing the threat against any reputational damage, whilst leveraging opportunities to protect and enhance its reputation. It is also committed to following the guidelines of good corporate governance and pursuing business values such as integrity, accountability and transparency while monitoring and prohibiting any attempt to use its network and name as a vehicle in money laundering, terrorism or other illegal activities.





## Selection of directors and senior executives

### Selection of directors

The Nomination and Remuneration Committee reviewed nomination and selection policies, rules and procedures that were approved by the resolution of the Board of Directors' Meeting No. 9/2559 on 16 November 2016. The policy involves procedures of open and equal opportunity for nominations of qualified candidates on the grounds of suitable and appropriate educational backgrounds and work experience. The Committee members will make their best efforts in selecting suitable candidates and submit proposed nominations to the Board of Directors for their review and approval. Other than general qualifications, the main selection criteria also involve compliance of candidates' qualifications with applicable commercial banking laws such as the Public Limited Companies Act, the Financial Institutions Business Act, etc.

In every Annual General Meeting of Shareholders, one – third of the directors will retire by rotation. The Bank arranged for shareholders to elect each director to replace the outgoing directors one by one. In voting for election of directors, each shareholder shall have votes equal to the number of shares held by him/her multiplied by the number of directors to be elected. Each shareholder may cast all of his/her votes to elect a person or persons as directors. In the case of election of persons as directors, he/she may split as many votes to any persons. The persons obtaining the highest number of votes in descending order shall be elected as directors according to the number of directors electable in that election.

### Selection of senior executives

For senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the name of the position, selection criteria are focused on individual competencies, experience and leadership. Apart from knowledge and professional experience in the required banking fields, it is also expected that senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the name of the position, have a good understanding of Standard Chartered Group's business culture and strategies. In addition, the candidates must not have a questionable character according to applicable commercial banking laws such as the Public Limited Companies Act, the Financial Institutions Business Act, etc.

### Remuneration

#### Monetary payment

The remuneration of the directors and senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the name of the position are as follows: The three Independent Directors received remuneration totaling Baht 7.57 million in 2016.

Name	Remuneration (Baht)
1. Mr. Pakorn Malakul Na Ayudhya	3,200,000.00
2. Ms. Thippaporn Gertphol	2,650,000.00
3. Prof. (Special) Somchai Richupan Ph.D.	1,720,161.33
<b>Total</b>	<b>7,570,161.33</b>

However, the following four Executive Directors and Non-Executive Directors did not receive remuneration from the Bank in 2016, as prescribed by Standard Chartered Group policy:

1. Mr. Bharat Padmanabhan	Chairman
2. Mr. Plakorn Wanglee	Director
3. Ms. Oranuch Nampoolsuksan	Director
4. Mr. Faisal Abu Shaar	Director

During 2016, the amount of remuneration paid to 12 senior executives (total of 14 senior executives during 2016) from the level of Senior Executive Vice President totaled Baht 143.14 million. The amount of remuneration paid to 19 senior executives (total of 26 senior executives during 2016) from the level of Executive Vice President and above or any person with equivalent rank, whatever the name of the position, totaled Baht 178.54 million.

#### Other remuneration

During 2016, other remuneration including Bank's provident fund contribution for 12 senior executives (total of 14 senior executives during 2016) from the level of Senior Executive Vice President totaled Baht 45.67 million. The Bank's provident fund contribution and other remuneration for 19 senior executives (total of 26 senior executives during 2016) from the level of Executive Vice President and above or any person with equivalent rank, whatever the name of the position, totaled Baht 43.34 million.

#### Dividend payment policy

Article 51 of the Bank's Articles of Association: No dividends may be paid other than out of profits. If the Company still has an accumulated loss, no dividends shall be paid.

## Nomination and Remuneration Committee Report



**Mr. Pakorn Malakul Na Ayudhya**  
Chairman of the Nomination and Remuneration Committee

To the Shareholders

The Nomination and Remuneration Committee comprises three independent directors to ensure independence of the subcommittee. The Committee members as on 31 December 2016 are listed as below:

1) Mr. Pakorn Malakul Na Ayudhya	Chairman
2) Ms. Thippaporn Gertphol	Member
3) Prof. (Special) Somchai Richupan Ph.D.	Member

The Nomination and Remuneration Committee held eight meetings in 2016.

The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors. It has the responsibility of selecting and proposing names of qualified candidates for directorship in the Board of Directors; members of subcommittees whose authorities, duties and responsibilities are assigned directly by the Board of Directors; and senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the position may be named. The Nomination and Remuneration Committee is also responsible for proposing the remuneration and benefit provided for the Board of Directors and senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the position may be named, for consideration by the Board of Directors.

This year, the Nomination and Remuneration Committee has reviewed and obtained approval from the Board of Directors for the policies, criteria and methodology to ensure the ongoing compliance with the relevant rule and regulations which provide the framework for the Committee in carrying out its duties, as follows:

- Selected and nominated members of the Board of Directors; members of subcommittees; and senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever

the position may be named, the Nomination and Remuneration Committee takes into consideration the specific qualifications, knowledge, abilities, skills, experience and expertise of each individual as well as their leadership, vision and attitude toward the organization, with the view that such qualities would be beneficial to the Bank's operations. In selecting members of the Board of Directors, the Nomination and Remuneration Committee also takes the appropriate size, structure, composition of the Board of Directors, as well as individual suitability into consideration. This is to support good corporate governance, effective and efficient management, so as to comply with regulatory requirements as well as to be able to cope with the fast changing banking and business environment.

- Determined the remuneration and benefit provided for members of the Board of Directors and senior executives from the level of Executive Vice President and above or any person with equivalent rank, whatever the position may be named, the Nomination and Remuneration Committee takes into consideration that such remuneration and benefit commensurate with the duties and responsibilities assigned, the individual's performance, the market rate of the Thai banking industry, the Bank's overall performance, the business environment, and factors which may affect the Bank's operations or the economy as a whole.
- Provided recommendations to the management regarding to the retention, nomination, compensation, as well as the robust succession plan for the continuing administration of the executive positions, in order to benefit the business operation and the effective management of the Bank.

The remuneration and benefit provided for directors and senior executives in year 2016 is presented in the Annual Report in the section entitled 'Structure of Management'. The Nomination and Remuneration Committee is of the opinion that such remuneration and benefit are appropriate and commensurate with the assigned duties and responsibilities, and comply with the policy and criteria established by the Nomination and Remuneration Committee. The said remuneration and benefit have been considered and approved by the Board of Directors.

**Mr. Pakorn Malakul Na Ayudhya**

Chairman of the Nomination and Remuneration Committee

# Audit Committee Report



**Ms. Thippaporn Gertphol**  
Chairman of the Audit  
Committee

To the Shareholders

The Audit Committee comprises three Independent Directors with the Company Secretary and Head of Audit serving as joint secretaries.

The Audit Committee Members are listed as below:

- |   |          |
|---|----------|
| 1) Ms. Thippaporn Gertphol                | Chairman |
| 2) Mr. Pakorn Malakul Na Ayudhya          | Member   |
| 3) Prof. (Special) Somchai Richupan Ph.D. | Member   |

In 2016, a number of meetings were held, both formal and informal, in which the Committee considered the following matters:

## Financial Statements

- (1) Reviewed and endorsed the annual financial statements and independent auditor's report for the years ended 31 December 2015 and the interim financial statements and independent auditor's report for the three-month period ended 31 March 2016, and the interim financial statements and independent auditor's report for the three-month and six-month periods ended 30 June 2016, to ensure conformity with acceptable accounting principles and adequate disclosure before submitting to the Board of Directors' Meetings for approval and further submission to the regulators concerned;

## External Auditor

- (2) Made recommendations to the Board of Directors regarding the nomination of the Bank's external auditor and its remuneration;
- (3) Acknowledged KPMG Audit Plan for 2016;
- (4) Acknowledged KPMG Non-Audit Service for 2016;

## Internal Control and Audit

- (5) Approved the 2016 country audit plan and acknowledged quarterly audit result and outstanding issues. Also, followed up, queried, commented and provided guidance for corrective actions of audit findings especially significant risk issues to ensure the internal control appropriateness and adequacy for the Bank's business operations;
- (6) Endorsed the 2016 credit review plan and acknowledged quarterly report on credit review and outstanding Issues;
- (7) Acknowledged the ICAAP (Internal Capital Adequacy Assessment and Process) audit result;
- (8) Acknowledged Country Audit team development activities;

## Regulatory Compliance

- (9) Approved the 2016 compliance report and annual review of compliance policy, as well as acknowledged quarterly report on non-compliance and concerned issues;
- (10) Acknowledged the 2016 compliance monitoring plan and quarterly report on Thailand compliance monitoring summary;
- (11) Acknowledged quarterly report on key local regulations;
- (12) Acknowledged BOT (Bank of Thailand) annual examination result and report 2016 and action plan to response BOT;
- (13) Acknowledged BOT target examination results and report 2016 and action plan to response BOT;

## Risk Management

- (14) Acknowledged the risk issues discussed at the Risk Committee's meetings and quarterly report on the significant approved limits & mark-to-market risk exposure;
- (15) Acknowledged GSAM (Group Special Asset Management) accounts update;
- (16) Acknowledged XVA Report. The Committee recommended to table the report to the Board of Directors for acknowledgement on semi-annually and also find way to keep trader desk aware of XVA risk;

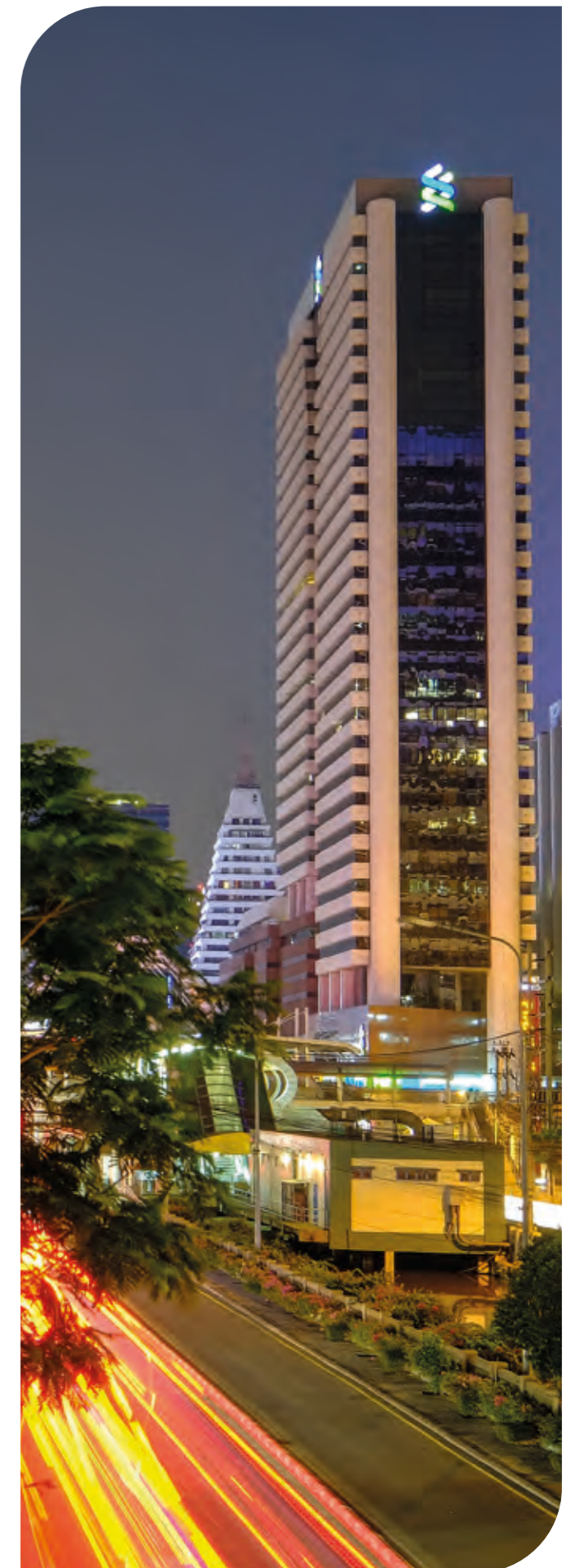
## Others

- (17) Acknowledged actions taken against missed trades and missed reporting to Thai Bond Market Association. The relevant management were required to monitor and follow the compliance;
- (18) Acknowledged Management Information for Anti-Money Laundering and Financial Crime Risk for the year 2015;
- (19) Acknowledged report of net operational losses in 2015 and H1 2016;
- (20) Acknowledged the speaking-up cases in 2015 and H1 2016 and action taken by the Bank. The Committee recommended the Bank to encourage the staff to speak up;
- (21) Acknowledged Country Head and Safety action plan for 2016 and summary of accidents and incidents in 2015 and 2016 (up to March);
- (22) Acknowledged the audit report on IT outsourcing services provided by Standard Chartered Bank Group & related entities;
- (23) Acknowledged CMS (Cash Management Services) update on the underlying cause and the action plan against the breaches in CMS area.

The Audit Committee performed its duties as assigned by the Board of Directors. In the performance of its duties it adhered to the principles of integrity, prudence, transparency and independence, and to serve in the ultimate interest of the Bank.

The Audit Committee has consistently reviewed the Bank's financial reports, internal controls, and also monitored performance of the Bank to ensure its compliance with all regulatory requirements, and the Audit Committee is satisfied that the information contained therein is adequate, transparent and in line with good corporate governance practices.

**Ms. Thippaporn Gertphol**  
Chairman of the Audit Committee



Supplementary information



# General Information

<b>Name</b>	<b>Standard Chartered Bank (Thai) Public Company Limited</b>
Address	90 North Sathorn Road, Silom, Bangrak, Bangkok 10500
Nature of Business	Commercial Banking
Registration Number	0107536000498
Telephone	(02) 724 4000
Facsimile	(02) 724 4444
Registered Capital	Baht 14,842,627,020
Paid-up Capital	Baht 14,837,045,480 - 1,483,704,548 common shares with par value per share of Baht 10
Homepage	<a href="http://www.sc.com/th">www.sc.com/th</a>

<b>Share Registrar</b>	<b>Standard Chartered Bank (Thai) Public Company Limited</b>
Address	Corporate Secretariat's Office, 12/Floor, Sathorn Nakorn Tower 90 North Sathorn Road, Silom, Bangrak, Bangkok 10500
Telephone	(02) 724 8039, 41, 42
Facsimile	(02) 724 8044

<b>Auditor</b>	<b>KPMG Phoomchai Audit Ltd.</b>
Address	50 <sup>th</sup> – 51 <sup>th</sup> Floors, Empire Tower 1 South Sathorn Road, Bangkok 10120
Telephone	(02) 677-2000
Facsimile	(02) 677-2222
Homepage	<a href="http://www.kpmg.co.th">www.kpmg.co.th</a>

<b>Legal Counsels</b>	<b>1. Mr. Kraitos Plianbangchang</b> Executive Vice President
	<b>2. Ms. Sareerat Khangkhandee</b> Senior Vice President
Address	Standard Chartered Bank (Thai) Public Company Limited Legal 90 North Sathorn Road, Silom, Bangrak, Bangkok 10500
Telephone	(02) 724-3366, 3370
Facsimile	(02) 724-3360



# Structure of Shareholders

## Top ten major shareholders as of 31 December 2016 were:

Name	Number of shares Baht 10 per share	% of paid up capital
1. Standard Chartered Bank	1,481,795,116	99.8713
2. Registered Provident Fund of Standard Chartered Bank's Employees	1,750,753	0.1180
3. BNP Paribas Wealth Management Singapore Branch	50,452	0.0034
4. Mrs. Lin Mei Jen	12,867	0.0009
5. Wall Street Finance and Securities PCL	6,250	0.0004
6. Ms. Urawee Kanokpruk	5,517	0.0004
7. Mr. Maitree Triprasertpoj	4,783	0.0003
8. Mr. Amorn Tacha-akarakul	4,435	0.0003
9. Mrs. Pennipa Tungsittisombat	3,027	0.0002
10. Chaiyaporn International Co., Ltd.	2,971	0.0002

## Companies in which the Bank holds 10% Stake and over

No.	Name / Type of Business / Location	Type of share	Total number of shares issued	No. of shares held by the Bank	Percentage of share-holding
1	<b>Thai Exclusive Leasing Co., Ltd.</b> (The company is in process of liquidation) 100/3 Sathorn Nakorn Tower, 3 <sup>rd</sup> Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500	Common	6,000,000	5,999,994	99.99
2	<b>Executive Management Services Manpower Ltd.</b> (Real estate: Renting, Selling, buying, operating) 193/122, Lake Rajada Office Complex, 29 <sup>th</sup> Floor, Ratchadaphisek Road, Khlongtoei, Khlongtoei, Bangkok 10110	Common	2,000	588	29.40
3	<b>P N C (Thailand) Ltd.</b> (Real Estate activities on a fee or contract basis) 90 North Sathorn Road, Silom, Bangrak, Bangkok 10500	Common	150,000	22,121	14.75
4	<b>Nakornthon Leasing Co., Ltd.</b> (Holding Company) 90/39 Sathornthani Building, 15 <sup>th</sup> Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500	Common	8,000,000	900,000	11.25
5	<b>Phadungsin Co., Ltd.</b> (Securities Brokers and Traders) 252 Chiangmai Road, Khlongsan, Khlongsan, Bangkok 10600	Common	50,000	5,000	10.00

Director holds shares or debentures of the Bank and an affiliated company • Nil  
 Director has a direct or indirect interest in any contract which is made by the Bank during a fiscal year • Nil

# Connected Transactions

## Connected transactions with potential conflicting parties

- Loans and obligations to major shareholders and corporations in which the Bank holds 10% stake and over:

Potential conflicting parties	Type of business	Relationship	As at 31 <sup>st</sup> December 2016 (Baht thousands)			Approval	Reasons for the transactions
			Loans	Obligations	Interest rate		
Standard Chartered Bank	Financial Institution	Major Shareholder	-	371,140,505	-	Approved by Board of Directors.	Normal business.

- All deposits, loans and obligations of directors, top executives and related persons:

Potential Conflicting parties	Transaction type	As at 31 <sup>st</sup> December 2016 (Baht thousands)	Reasons for the transactions
Directors, top executives and related persons	Loans	1,893,399	Normal practice
	Obligations	-	-
	All deposits	107,280	Normal practice
	Borrowing	-	-
	Interest rate	-	Market rate

**Remark** Additional information related to Connected Transaction appears in the Note No. 32 "Related Party Transactions and Balances" page 71 of Annual Financial Statements for the years ended 31<sup>st</sup> December 2016



# Branch information

<b>Head Office</b>	90 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (02) 724-6326-37 Fax. (02) 724 3288 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Mahanak</b>	2-4 Anantanak Road, Klong Mahanak, Pomprapsatruphai, Bangkok 10100 Tel. (02) 621-8263-6 Fax. (02) 724 3250 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Bangkae</b>	750 Phetkasem Road, Bangwa, Phasicharoen, Bangkok 10160 Tel. (02) 413-2129, (02) 805-0280-4 Fax. (02) 724 3252 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Charoenkrung</b>	335 Charoenkrung Road, Pomprap, Pomprapsatruphai, Bangkok 10100 Tel. (02) 225-7451-2 (02) 622-8630-7 Fax. (02) 724 3254 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Pratunam</b>	120/29-30 Rachaprarop Road, Thanonphayathai, Ratchathevee, Bangkok 10400 Tel. (02) 255-5774-5 (02) 251-2105 Fax. (02) 724 3256 Monday - Sunday - Public Holidays 8.30 am. - 4.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Central Chaengwattana</b>	419 Floor 4th, 99 Moo 2 Chaeng wattana Road, Bangtalad, Pakred Nonthaburi 11120 Tel. (02) 835-3978 Fax. (02) 724 3258 Monday - Friday 11.00 am. - 7.30 pm. Saturday - Sunday - Public Holidays 10.00 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Rayong</b>	127/20 Sukhumvit Road, Tha Pradoo, Muang, Rayong 21000 Tel. (038) 616-077-78, (038)-800361-2 Fax. (02) 724 3262 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Phahurat</b>	121-121/1, 123-123/1 (The Old Siam Plaza Bld.) Phahurat Road, Wangburaphapirom, Phranakon, Bangkok 10200 Tel. (02) 222-6355, (02) 221-2172-3 Fax. (02) 724 3264 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Future Park Rangsit</b>	94 Future Park Rangsit Department Store, Phahonyothin Road, Phachathipat, Tanyaburi, Pathumthani 12130 Tel. (02) 958-0415-8 Fax. (02) 724 3266 Monday - Friday 10.30 am. - 7.30 pm. Saturday - Sunday - Public Holidays 10.00 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)

<b>Lotus Sukhumvit 50</b> (To be closed in January 2017)	1710 Sukhumvit Road, Phrakanong, Khlongtoei, Bangkok 10260 Tel. (02) 741-4440-41 Fax. (02) 724 3268 Monday - Sunday 10.00 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Lotus Rattanathibeth</b>	37/112 Moo 8 Rattanathibet Road, Banggrasor, Muang, Nonthaburi 11000 Tel. (02) 950-8855 Fax. (02) 724 3270 Monday - Sunday 10.00 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Lotus Rama III</b>	172 Naratiwasrachnakarin Road, Chongnontree, Yannawa, Bangkok 10120 Tel. (02) 681-1411-17 Fax. (02) 724 3272 Monday - Sunday 10.00 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Silom</b>	Unit 5, 1st floor, Zuellig House Building, 1-7 Silom Road, Silom, Bangrak, Bangkok 10500 Tel. (02) 636-0376-85 Fax. (02) 724 3276 Monday - Friday 8.00 am. - 7.00 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Thonglor</b>	55/1 Soi Sukumvit 55 (Thonglor), Sukumvit Road, Klongtan Nua, Wattana, Bangkok 10110 Tel. (02) 673-7300 Fax. (02) 724 3278 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)
<b>Ratchayothin</b>	SuZuki Avenue Ratchayothin Room No. B102A, 234/2 Ratchadaphisek Road, Ladyao, Jattujak, Bangkok 10900 Tel. (02) 930-2311 Fax. (02) 724 3280 Monday - Sunday 10.00 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Central Bangna</b> (To be closed in January 2017)	Central City Bangna 587 Fl. 3, Room No. 302, Bangna -Trad Road, Bangna, Bangkok 10260 Tel. (02) 398-6555 Fax. (02) 724 3282 Monday - Friday 10.30 am. - 7.30 pm. Saturday - Sunday - Public Holidays 10.00 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Central World</b> (To be closed in April 2017)	A409 Floor 4th, 4, 4/1-4/2, 4/4, Ratchadamri Road, Pathumwan, Bangkok 10330 Tel. (02) 613-1042 Fax. (02) 724 3284 Monday - Sunday 10.30 am. - 7.30 pm. (Except 1st Jan, 13th April, 1st July)
<b>Silom Soi 6</b> (To be closed in April 2017)	126 Silom Road, Kwang Suriyawong, Bangrak, Bangkok 10500 Tel. (02) 267-7228 Fax. (02) 724 3286 Monday - Friday 8.30 am. - 4.30 pm. (Except Public Holiday, 1st July, and Bank's Year-end Holiday)



**Standard Chartered Bank (Thai) Public Company Limited**

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