



ธนาคารอิสลาม แห่งประเทศไทย

ISLAMIC BANK OF THAILAND • البنك الإسلامي بتايلاند

รัฐวิสาหกิจสังกัดกระทรวงการคลัง

Annual Report 2015



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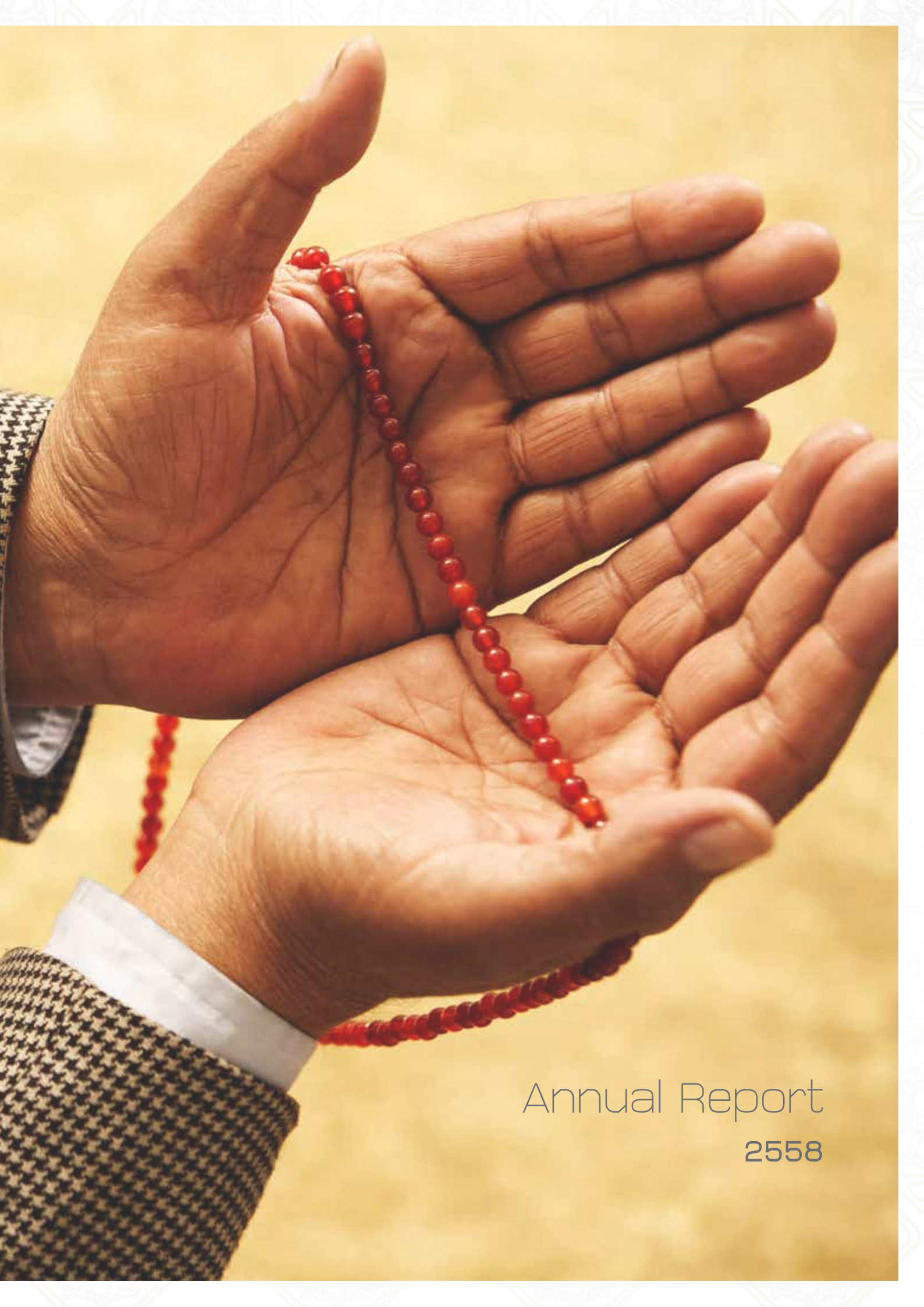


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Annual Report
2558

“Twelve Years of IBank”

From the Start towards Sustainable Growth

The Islamic Bank of Thailand (IBank) was established in response to the government's emphasis on the importance of a financial institution, particularly for all Muslim people to access the banking system under Muslim principles and also for people from all other religions. “Islamic Bank of Thailand” was thus founded under the Islamic Bank of Thailand Act B.E. 2545, under Ministry of Finance. With initial registered capital of Baht 1,000 million, IBank commenced operation on 12 June 2003.

IBank's service network consists of 108 branches nationwide, with the head office located at Q House Asoke, Sukhumvit 21, Klong Toei Nua Sub-District, Vadhana District, Bangkok, 10220

IBank celebrated our 12th year anniversary on 12 June 2015.

Vision and Mission

Statement of Direction: SOD

To act as a mechanism to stimulate saving and investing activities both domestically and internationally in order to offer financial support to general clients and business operators under Shariah principles, with a firm financial status

Vision

To become an Islamic bank clients can trust and be confident that the Bank's financial services comply with Shariah principles; to act as the core bank providing services for Muslim clients, clients who make business transactions with Muslims as well as general clients.

Mission

- 1.To establish effective management systems, high standard operational system, highly-qualified personnel; and to ensure professional business operation
- 2.To carry on business with transparency under good corporate governance
- 3.To maintain firm status with stability and sustainable growth; and to take care of all stakeholders in balanced ways
- 4.To support connected transactions among Muslim groups and related parties
- 5.To participate in stabilizing and developing economy and society, especially in the five southern border provinces

Strategies

1. To generate revenue from SME and retail finance among Muslim clients and general clients who do businesses with Muslim groups; and to make appropriate profits
2. To manage asset quality by trying to prevent non-performing financing as well as divesting non-performing financing to AMC
3. To improve IBank branches' efficiency in terms of service quality and profitability
4. To boost human resources' potential and quality
5. To enhance the efficiency of information technology system, service processing, business operation in order to support business growth of the Bank's targeted clients

“Credit Ratings”

Credit Ratings



Islamic Bank of Thailand has been affirmed credit ratings by Fitch Ratings, independent credit ratings agency, on 24 November 2015 is as follow;

DOMESTIC CREDIT RATINGS

	Credit ratings	Definition
Long-Term	AA(thai)	Very high credit quality
Short-term	F1+(thai)	Highest short-term credit quality
Outlook	Stable	Credit ratings outlook is stable

INTERNATIONAL CREDIT RATINGS

Long-Term	BBB-	Good credit quality
Short-term	F3	Fair short term credit quality
Outlook	Stable	Credit ratings outlook is stable

“CONTENT”

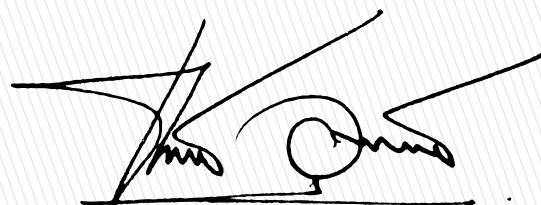
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Message from the Chairman of the Board of Directors

Islamic Bank of Thailand (IBank) is one of seven financially troubled state enterprises that the government has instructed to undertake rehabilitation plans. Over the past one year and four months since the recent Board of Directors was appointed to oversee the Bank's overall management under supervisory of the State Enterprise Policy Office (SEPO), IBank has continued to show steady progress. The Bank's rehabilitation plan has already been approved by the SEPO and acknowledged by the cabinet. As a part of the plan, good bank and bad bank will be separated, with the non-performing financing (NPF) of non-Muslim clients to be divested to an Asset Management Company (AMC), established by Ministry of Finance. Furthermore, IBank has also been instructed to strike partnership deals with potential partners who possess expertise in providing Shariah-compliant financial services and an extensive network. This is part of our attempt to strengthen IBank's business operation, ensure professional management in compliance with Shariah banking principles, and enhance standards of financial products and operation systems. The potential partnership deals are also expected to enable IBank to broaden our partnership networks both domestically and internationally while stabilizing and strengthening our financial position. Potentially, IBank will become a significant mechanism facilitating and connecting financial transactions involved by Thai Muslim, general Thai as well as Muslim business people across the globe. Finally, IBank will also seek opportunities to support the country's major investment projects, which will be a major step toward the bank's deliberate status as the national Islamic bank in Thailand.

On behalf of IBank, the management, and employees, I would like to express my deep gratitude to all shareholders as well as clients who have continued to trust our services. I am confident that in the near future IBank will demonstrate a significant role in driving economic growth and social development of Thailand.



Mr. Chaiwat Utaiwan
Chairman of the Board of Directors

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Message from the Chairman of the Board of Directors

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Mr. Chaiwat Utaiwan

Chairman of the Board of Directors



Message from President

Over the past 13 years, IBank has strived to become the country's core financial institution providing financial services under the Islamic banking principles. We have introduced appropriate products to serve Thai Muslim clients as well as Thai clients from all religions. Although IBank had financially troubled and thus instructed by the Enterprise Policy Office (SEPO) to undertake an urgent rehabilitation plan in 2015, the Bank has remained fully committed to operating banking business in the context of genuine Islamic bank of Thailand.

In response to SEPO's instruction on the urgent rehab plan, in 2015 IBank appointed Tisco Securities Co., Ltd. and Macquarie Securities (Thailand) Ltd. to be financial advisors and Baker & MaKencie Ltd. to be a legal advisor to work on the rehabilitation plan. The completed plan has already been approved by the SEPO; and our operation according to the plan has thus been underway.

Furthermore, in 2015 the bank also adjusted a number of business procedures in order to strengthen our infrastructure and enhance operating efficiency. For instance, the CAP Center system was initiated for thorough credit management; furthermore, a number of major projects were launched to enlarge our service coverage towards Muslim clients across the country. Examples of the projects include a financing program for Islamic Cooperatives, a program on IBank leading Thai Halal businesses to the world, a program on enhancing Muslim restaurants' standard, and a number of marketing events aimed at enlarging accesses to more Muslim communities, such as Muslim Day, and etc. All programs and activities received positive feedbacks from relevant business operators, religious leaders, and Muslim communities. Consequently, the Bank managed to add 130, 000 new Muslim clients to our client base in 2015.

Another significant mission is to strike partnership deals to potentially enhance our efficiency and strengthen our business position. IBank stands firm on our mission to deliver services as the country's core Islamic-compliance financial institution, with business stability, systematic operation, extensive network, effective working systems and ability to serve demand of clients from all religions.

Finally, I would like to express my heartfelt gratitude towards all clients as well as shareholders for their continued support. I would also like to show my sincere gratitude towards all employees for their devotion, sacrifice and commitment. Their contribution to the Bank's business progress and success is very much appreciated. I am confident that the value of the Islamic Bank of Thailand will remain endless. Moving forwards, we are ready to drive business growth in sustainable ways and continue to serve financial demand from all Thai people nationwide.



Mr. Montchai Ratanasatien
Director and Acting President

“ Message from President ”

Mr. Montchai Ratanasatien

Director and Acting President



Message from Chairman of the Shariah Advisory Council

Islam is the religious guidance that the God has revealed gave to Adam and his mankind so that they could live with equilibrium. The religion taught them to behave well according to religious principles: respect God; not to have big ego, not to be enchanted with impermanent life illusions; not to cause troubles to themselves and others. This Islamic principle is called “Shariah” and the objectives of Shariah (Maqasid al-Shariah) consists of five basic objectives:

1. To protect life
2. To protect property/wealth
3. To protect intellect/mind
4. To protect lineage/progeny
5. To protect religion/faith

Maqasid al-Shariah or the objectives of Shariah aim to prevent human being from destroying his life or other people's lives, prevent human being from destroying his own property and other people's property, Protect human being from destroying his own and others peoples' s The Shariah aims to prohibit adultery that will destroy his lineage and other people' s lineage. The Shariah is also aimed to protect his faith and other people's faith, Islamic or non Islamic Finally, the law has an objective to preserve religion as international faith.

The establishment and the operation of Islamic Bank of Thailand is thus based on the objective of Shariah pertaining to the preservation of property, teaching people to use, save, and borrow property and raise funding in appropriate ways. According to the Shariah principles, people are prohibited from taking advantages from other people by noun of interests. Instead, the Shariah teaches people to use property for the benefits of themselves, others and the society through trade transactions, which are based on moral principles.

As financial transactions of the Islamic Bank of Thailand are friendly and favorable to individuals, society and national economy that based on the moral ethics of mankind, we should support the business of Islamic Bank of Thailand by saving or using the Bank's services in order to maintain the Bank's moral transactions in the society run forever



Dr. Anas Amatayakul
Chairman of the Shariah Advisory Council

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Message
from
Chairman
of the
Shariah
Advisory
Council

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Dr. Anas Amatayakul

Chairman of the Shariah Advisory Council



“ Board of Directors ”



Mr. Chaiwat Utaiwan

Age : 62

IBANK committee roles : Chairman of Board of Directors

Education and Degrees:

- Master Degree**
- Master of Business Administration (Executive) Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Master of Science (Mathematics and Computer Science) University of Louisville, Kentucky, U.S.A.
- Bachelor Degree**
- Bachelor of Science in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University

Professional Experience:

- 2015 – Present
- Director and Executive Committee CK Power Public Company Limited
- 2014 – Present
- Director, Executive Committee, Corporate Governance Committee, Risk Management Committee and Managing Director TTW Public Company Limited
- 2014 – Present
- Director and Managing Director PathumThani Water Company Limited
- 2014 – Present
- Director Thai Water Operations Company Limited
- 2011 – Present
- Chairman of Board of Directors Suvarnabhumi Airport Hotel Company Limited
- 2012 – 2014
- Vice Chairman of Board of Directors Bangkok Metro Public Company Limited
- 2011 – 2014
- Director, Executive Committee, Risk Management Committee and President Bangkok Metro Public Company Limited
- 2011 – 2012
- Director and Executive Committee Government Saving Bank
- 2007 – 2011
- President and Chief Executive Officer Siam City Bank Public Company Limited
- 2001 – 2007
- Chairman of the Executive Board and President AIG Retail Bank Public Company Limited
 - President and Chief Executive Officer AIG Finance (Thailand) Public Company Limited

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*





Miss Banthornchome Kaewsard

Age : 57

IBANK committee roles : Board of Directors

Education and Degrees:

Master Degree

- Finance and Investment, Exeter University, United Kingdom.
- Business Administration in Finance, National Institute of Development Administration (NIDA)

Bachelor Degree

- Economics (Finance and Banking), Chulalongkorn University Professional Experience:

Professional Experience:

2008 – 2012

- Executive Director, Bureau of Financial System and Financial Institutions Policy (Executive Director (Economics))

2012 – 2013

- Deputy Director General, Fiscal Policy Office Director of Export-Import Bank of Thailand (EXIM)

Present

- Fiscal Policy Advisor, Fiscal Policy Office Chairman of Secondary Mortgage Corporation (SMC) Board of Directors, Expressway Authority of Thailand Chairperson, The Syndicate of Thai Hotels and Tourists Enterprises Ltd. Board of Directors

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*



Mr. Niphon Hakimi

Age : 59

IBANK committee roles : Board of Directors

- Chairman of Executive Committee
- Chairman of Compliance Committee
- Bank manager performance appraisal Committee Member
- Zakat Committee Member

Education and Degrees:

- D.S.U Labor Law from University of Paris II in France
- D.S.U Criminology from University of Paris II in France
- D.E.A. Sociology of Civil Law from University of Paris II in France
- Bachelor's degree in Law from Thammasat University

Professional Experience:

2011 – Present

- Deputy Secretary-General, Office of the Council of State (Executive, Higher Level)
- Permanent Law Councillor, Office of the Council of State
- Member of Administrative Procedure Committee
- Member of Tourism Authority of Thailand Committee
- Board of Directors of. Nok Airlines PCL
- Member of Life Insurance Fund Committee
- Member of Burapha University Council
- Member of Fuel Oils Control Commission
- Member of Good Governance and Appeal Committee (Bank of Thailand)
- Member of Punishment Deliberation Committee (ANTI-DOPING IN SPORTS ACT, B.E. 2555 (A.D. 2012))

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*





Lieutenant General Natthipong Pueksakorn

Age : 57

IBANK committee roles : Board of Directors

- Chairman of Audit Committee
- CG & CSR Committee Member

Education and Degrees:

Master Degree

- Master's degree in Computer Science of National Institute of Development Administration (NIDA)

Bachelor Degree

- Bachelor of Engineering, Chulachomklao Royal Military Academy

Professional Experience:

2011 – 2012

- Director of Directorate Comptroller, the First Army Area

2013 – 2015

- Chief of Finance, Royal Thai Army

2014 – Present

- Chairman of Directors, Amanah Leasing Public Company Limited

2015 – Present

- Senior Expert Royal Thai Army

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*



Mr. Panu Uthairat

Age : 59

IBANK committee roles : Board of Directors

- Chairman of Bank manager performance appraisal Committee
- Chairman of CG & CSR Committee
- Audit Committee Member

Education and Degrees:

Master degree

- Master degree in Public Administration from National Institute of Development Administration (NIDA)

Bachelor Degree

- Bachelor's degree in Political Sciences from Thammasat University

Professional Experience:

2010 – 2011

- Deputy Permanent Secretary,
- Acting Secretary-General of Southern Border Provinces

2011

- Secretary-General, Southern Border Provinces (Civil Official, Level 11)

2012

- Advisor to the Prime Minister (Civil Official, Level 11)

2013

- Deputy Permanent Secretary, Special Affairs

2014 – Present

- Chief of Inspector Ministry of Interior
- Secretary-General of Southern Border Provinces (Civil Official, Level 11)
- Member of the National Legislative Assembly

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*



Mr. Dusit Khamasakchai

Age : 59

IBANK committee roles : Board of Directors

- Chairman of Nomination and Remuneration Committee
- Chairman of Risk Management Committee
- Executive Committee Member
- Compliance Committee Member

Education and Degrees:

Master Degree • Master of Business Administration Program (Merit) in Public Policy, National Institute of Development Administration (NIDA)

Bachelor Degree • Bachelor's degree in Political Science from Faculty of Arts, Ramkhamhaeng University

Professional Experience:

2010 – Present • Deputy Director, Bureau of the Budget, Office of the Prime Minister

2011 – Present • Member of the Civil Service Subcommittee of the System of Position Classification and Compensation

2012 – Present • Honorary Member, Suratthani Rajabhat University Council

• The Committee of University Affairs, Chandrakasem Rajabhat University

• The Committee of Monitoring and Evaluation of Chandrakasem Rajabhat University

• Member of the Board of Directors, The Zoological Park Organization under the Royal Patronage of H.M. the King

2013 – Present • Member of the Board of The Eleventh National Economic and Social Development Plan

• Member of the Board of the State Attorney Commission

2015 – Present • Honorary Member, Rajamangala University of Technology Isan

• Honorary Member, Kalasin University

• Advisor of the Committee of Auditing and Monitoring Police

• Administration, Metropolitan Police Station

• Honorary Member, National Science Museum

• Member of the Board of Worker's Compensation fund, Social Security Office

• Member of Subcommittee of Auditing and Evaluation, Thailand Centre of Excellence For Life Sciences

2011 – 2013 • Member of the Board of Rubber Authority of Thailand

2010 – 2013 • Member of the Board of Directors, Wastewater Management Authority

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*





Mr. Wittaya Chaisuwan

Age : 61

IBANK committee roles : Board of Directors

- Chairman of Nomination Committee

Education and Degrees:

Master Degree • Master of Arts (Social Development)
National Institute of Development
Administration(NIDA)

Bachelor Degree • Bachelor of Science (Agronomy)
Kasetsart University

Professional Experience:

- | | |
|----------------|---|
| 2009 – 2014 | • Inspector – General Ministry of Agricultural and Cooperative |
| 2014 – Present | • Chairman Eastern Water Resources Development and Management PLC |
| 2014 – Present | • Member of the National Legislative Assembly |
| 2015 – Present | • Director, Amanah Leasing PLC |
| | • Director, Metropolitan Electricity Authority (MEA) |
| | • Chairman, EGCOM TARA Company Limited |
| | • Chairman, Universal Utilities Public Company Limited |

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*



Dr. Pornchai Thiraveja

Age : 47

IBANK committee roles : Board of Directors

- Risk Management Committee Member
- Information System Development Committee Member

Education and Degrees:

- | | |
|------|---|
| 1989 | • BBA in accounting, Thammasat University. |
| 1993 | • M.B.A. (Finance), College of Notre Dame, U.S.A. |
| 2003 | • M.A. (Political Science), Thammasat University. |
| 2006 | • Ph.D. in Public Administration, Suan Dusit Rajabhat University. |
| 2012 | • Ph.D. in Education (Non-formal Education), Chulalongkorn University |

Professional Experience:

- | | |
|----------------|---|
| 2011 – 2012 | • Acting Executive Director, Bureau of Financial Inclusion Policy and Development |
| 2012 – 2013 | • Executive Director, Bureau of Fiscal Policy (Executive Director (Economics)) |
| 2013 – 2015 | • Executive Director, Bureau of Financial System and Financial Institutions Policy (Executive Director (Economics)) |
| 2015 – Present | • Deputy Director General, Fiscal Policy Office |

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*



Miss. Piyawan Lamkitcha

Age : 50

IBANK committee roles : Board of Directors

- Executive Committee Member
- Nomination and Remuneration Committee Member
- Compliance Committee Member
- Bank manager performance appraisal Committee Member

Education and Degrees:

- | | |
|------------------------|--|
| Master Degree | <ul style="list-style-type: none"> • Master's degree in Public Administration from Chulalongkorn University • Mini MBA from Thammasat University |
| Bachelor Degree | <ul style="list-style-type: none"> • Bachelor's degree in Finance from university of the Thai Chamber of Commerce |

Professional Experience:

- | | |
|----------------|--|
| 2010 – 2012 | • Director, Coin Exchanging Center, Treasury Department |
| 2011 – 2014 | • Board Member, Police Printing Bureau |
| 2013 – 2014 | • Member of Board of Directors, Dhanarak Asset Development Co.,Ltd. |
| 2010 – 2012 | • Analyst Senior Professional Level State Enterprise Policy Office, Ministry of Finance |
| 2012 – Present | • Director, Government Securities Management Office, State Enterprise Policy Office, Ministry of Finance |

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*

Assoc. Prof. Pasu Decharin

Age : 48

IBANK committee roles : Board of Directors

- Chairman of Information System Development Committee
- Audit Committee Member
- Nomination and Remuneration Committee Member
- CG & CSR Committee Member

Education and Degrees:

- Doctor of Philosophy (Management of Technology), School of Management, Asian Institute of Technology
- Master of Business Administration (General Management) University of Colorado (Boulder)
- Bachelor of Business Administration (Management), Chulalongkorn University

Professional Experience:

- | | |
|----------------|--|
| 2011 – Present | • Dean, Faculty of Commerce and Accountancy, Chulalongkorn University, |
| 2012 – Present | • Executive Board, Faculty of Commerce and Accountancy Alumni, |
| 2012 – Present | • Executive Board, Personnel Administration Committee, Chulalongkorn University, |
| 2012 – Present | • Executive Board, Association of Asia-Pacific Business School (AAPBS), |

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*





Mr.Montchai Ratanastien

Age : 61

IBANK committee roles : Director and Acting President

- Chairman of Labor Relations Committee
- Vice Chairman of Executive Committee
- Corporate Governance (CG) & Corporate Social Responsibility (CSR) Committee Member
- Compliance Committee Member
- Risk Management Committee Member
- Information System Development Committee Member

Education and Degrees:

- | | |
|------------------------|---|
| Master Degree | • Master of Public Administration Program in Public and Private Management from National Institute of Development Administration (NIDA) |
| Bachelor Degree | • Bachelor's degree in Bachelor of Accountancy Program in Cost Accounting from Chulalongkorn University |

Professional Experience:

- | | |
|----------------|---|
| 2011 – 2012 | • Director, On-Site Examination Department 2, Supervision Group, Bank of Thailand |
| 2013 – 2014 | • Director, Planning and Development, Supervision Group, Bank of Thailand |
| Present | • Director and Acting President |

**Holding of state enterprise/company shares related to Islamic Bank of Thailand shall not be over 10% of ordinary shares during 2015 Accounting Year*

“Shariah Advisory Council”



Dr. Anas Amatayakul

Chairman of the Shariah Advisory Council

Age : 57

Education

- Ph.D. in Arabic Language and Literature Aligarh Muslim University Aligarh, India
- M.A. in Arabic Language and literature, Aligarh Muslim University Aligarh, India
- B.A. in Islamic Studies (Islamic Laws and Arabic Language) Nadwa College, Lucknow, India

Education

- Lecturer, Faculty of Humanities and Social Sciences, Department of Religion and Development and Department of Comparative Religion, Faculty of Social Sciences and Humanities, Mahidol University
- Editorial Member to establish International Religious Glossary of the Office of the Royal Society
- Member of Subcommittee to consider qualifications of overseas graduates, Office of Higher Education Commission
- Member of Advisory Council for the World Assembly of Muslim Youth-Thailand
- Member of Subcommittee working on strategies aimed at driving overseas Thai Muslim education
- Member of Executive Committee, Muslim Study Center, Institute of Asian Studies, Chulalongkorn University
- Member of Executive Committee, Center for Muslim, Faculty of Economics, Chulalongkorn University





Dr. Maroning Salaeming

Member of the Shariah Advisory Council

Age : 49

Education

- Ph.D. in Principles of Jurisprudence, Islamic University of Madina, Saudi Arabia
- Master's Degree in Principles of Jurisprudence, Islamic University of Madina, Saudi Arabia
- Bachelor's Degree in Islamic Law, Islamic University of Madina, Saudi Arabia

Work Experience

- Lecturer of Islamic law, College of Islamic Studies, Prince of Songkhla University, Pattani Campus
- Director of Islamic Law Academicians of Southeast Asian Region
- Licensee of Udomsarn Wittaya School, Mueng District, Yala
- Expert for the Seikhul Islam Office
- Member of Shariah Advisory Committee, Bina Islamic Cooperative, Ltd.
- Deputy Secretary- General of Southern Provinces Administration Center with responsibility on developing five southern border provinces
- Member of Shariah Advisory Committee (Shariah Board), Dhipaya Insurance Ltd.
- Advisor to Foreign Affair Department, The Central Islamic Council of Thailand
- Research and academic journals on various topics, such as the mediation on family disputes and heritage in compliance with Islamic laws in the southern border provinces, the development of system and efficiency of the mediation on family disputes and heritage in compliance with Islamic laws in the southern border provinces, Shariah principles for financial transactions in the seminar on " Shariah and financial innovations", the insurance in compliance with Islamic law, and the Shariha-applied investment in Thailand



Mr. Senee Yoopensuk

Member of Shairah Advisory Council

Age : 44

Education

- Master's Degree in Arabic Linguistics and Literatures, Aligarh Muslim University, India
- Bachelor's Degree in Al-Hadith and Islamic Studies, Abu Bakr University, Karachi, Pakistan

Work Experience

- Headmaster, Khunathamwithaya School, Chacheongsao Province
- Direct of Non-formal Education, Donchimplee Sub-district, Bangnampriew, Chacheongsao Province
- Committee Member of Islamic Studies lesson development of Rajabhat Phranakorn University
- Guest speaker at religious schools
- TMTV Academician at Thai-Muslim TV Station (TMTV)
- Member of Shariah Advisory Board, Philip Tataful Plc.
- Member of Committee to set up the Islamic insurance system, Siam Samsung Takaful Co. Ltd.
- Guest speaker on religious issues for the TV station, website and radio of Muslim Foundation (24-hour TV Muslim)
- Advisor of Parent-Student Club of a religious school
- Independent researcher on the Middle East (Politics and Economy), Institute of Asian Studies, Chulalongkorn University (2011-2001)
- Member shariah advisory board of Krungthai KTAM (Islamic Fund)



Mr. Pramote Meesuwan

Member of Shariah Advisory Council

Age : 51

Education

- B.A. in Islamic Propagation, Faculty of Islamic Propagation

Work Experience

- Imam of Badrulummineen Masjid (Sala Loi), Vadhana District, Bangkok
- Religious and Arabic teacher, the senior high school level, Miftah El Uloom El Deneyah School (Ban Don)
- Chairman of Board of Director of the Preschool Child Development Center, Sala Loi Community, Bangkok
- Guest Speaker on religious topics for radio programs on AM 1251 and AM 981 stations
- Guest Speaker on religious topics for Visaidham Parithas, Kasetsat University Radio Station AM1107 every Sunday
- Guest Speaker at religious instructions and organizations and at Friday prayer
- Advisor to Executive Committee of Alumni Association of Miftah El Uloom El Deneyah School
- Writer of academic textbooks:
 - “Key to Arabic Language”: This book is like a key to understanding of Arabic language as it contains part of Arabic grammar and more than 4,500 Arabic words
 - “Dua.. the brain of Ibadah”: This book is one of the most complete references for Dua used in many occasions and comprises of translation of every Dua.
 - “Arabic ' English ' Thai Dictionary” that contains more than 30,000 words, including conversation dialogues in three languages

“Top Executives”



Mr.Montchai Ratanastien

Director and Acting President

Age : 61

Education and Degrees:

- Master Degree** • Master of Public Administration Program in Public and Private Management from National institute of Development Administration (NIDA)
- Bachelor Degree** • Bachelor's degree in Bachelor of Accountancy Program in Cost Accounting from Chulalongkorn University

Professional Experience:

- 2011 – 2012 • Director, On-Site Examination Department 2, Supervision Group, Bank of Thailand
- 2013 – 2014 • Director, Planning and Development, Supervision Group, Bank of Thailand
- Present** • Director and Acting President





Dr. Kunchit Singsuwan

Senior Executive Vice President, Business Support Division

Age : 54

Education and Degrees

- PhD in International Business Management. United States International University San Diego California United States
- Master's degree in International Business Management. American International University San Diego California United States of America.
- Bachelor Degree, Law in Civil from and Criminal Law from Chulalongkorn University

Professional Experience

- President of Risk Management Specialized financial institutions (SFIs)
- Advisory Board for Academic Affairs Valuers Association of Thailand (The Values Association of (Thailand).
- Risk Management Committee (Risk Management Committee), MCOT Public Company Limited (Thailand).
- Consultants (Advisor), Islamic Bank of Thailand.
- Subcommittee prepared a memorandum and evaluate the operations of enterprises. State Enterprise Policy Office (SEPO), the Ministry of Finance.
- Subcommittee solutions for enterprises closing delay. State Enterprise Policy Office (SEPO), the Ministry of Finance.
- GM (General Manager) B & A Distribution CO., LTD (Boon Rawd Brewery Group).
- Manager, Finance and Administration Department in 2546 – 2547 B.B. Business Management CO., LTD (Boon Rawd Brewery Group.
- Dean of the Faculty of Business Administration (Faculty of Business Administration), University of Technology.
- Executive Director of the Graduate Program in Business Administration (MBA) University of Technology.
- Qualified institutional development of small and medium-sized enterprises (ISMED).
- Executive Committee (Board of Director) Company News (Thailand) Limited.
- Executive Committee (Board of Director) COMPANY Mori Trading Limited (Boonrawd Brewery's Group).
- Assistant Vice President B.B. Business Management Company Limited (Boonrawd's Group).
- Assistant Vice President Boon Rawd Asia Limited (Boonrawd Brewery's Group).
- Analysts Nava Finance and Securities Finance Co., Ltd. (Thailand).





Dr. Rak Vorrakitpokatorn

Age : 41

Education and Degrees

- 2012 • Advanced Certification Course in Public Administration and Law for Executives, King Prajadhipok's Institute
- 2005 • Economics Doctorate, Strathclyde Business School, U.K.
- 2000 • Master of Science in Operational Research, Strathclyde Business School, U.K.
- 1999 • Postgraduate Diploma (Institutional Economics), London School of Economics and Political Science, U.K.
- 1998 • Master of Business Administration (M.B.A.), Birmingham Business School, U.K.
- 1995 • Bachelor of Industrial Engineering, Faculty of Engineering, Chulalongkorn University, Thailand

Professional Experience

- 2011 – Jan.31,2016 • Senior Executive Vice President, Retails Business Division & Acting Executive Vice President – Branch Banking Group
- 2010 • Chief Marketing Officer, Dhanarak Asset Development Co., Ltd. State Enterprise, Ministry of Finance
- 2009 • Director, Islamic Bank of Thailand
- 2006 • Lead Advisor, Policy Government and Public Affairs, Chevron Asia South Limited
- 2002 • Co-Project Director (Industrial Cluster), National and Technology Development Agency (NSTDA) in collaboration with Sasin Graduate Institute of Business Administration of Chulalongkorn University



Mrs. Sleeporn Netrabookana

Executive Vice President, Finance Group
Acting Executive Vice President, Credit Operation Group
Acting Senior Executive Vice President, Business Support Division



Ms. Arsra Angkaria

Executive Vice President, Social and Economic Development Group
Acting Executive Vice President, Technology and Electronic Operation Group



Mr. Paparn Arya

Executive Vice President, SMEs Banking Group
Acting Executive Vice President, Corporate Banking Group



Mr. Manoch Dangkomen

Executive Vice President, Administration and Human Resource Group

Acting Vice President Human Resources Management Department



Ms. Pannee Choedrum-Phai

Executive Vice President, Compliance and Review Group

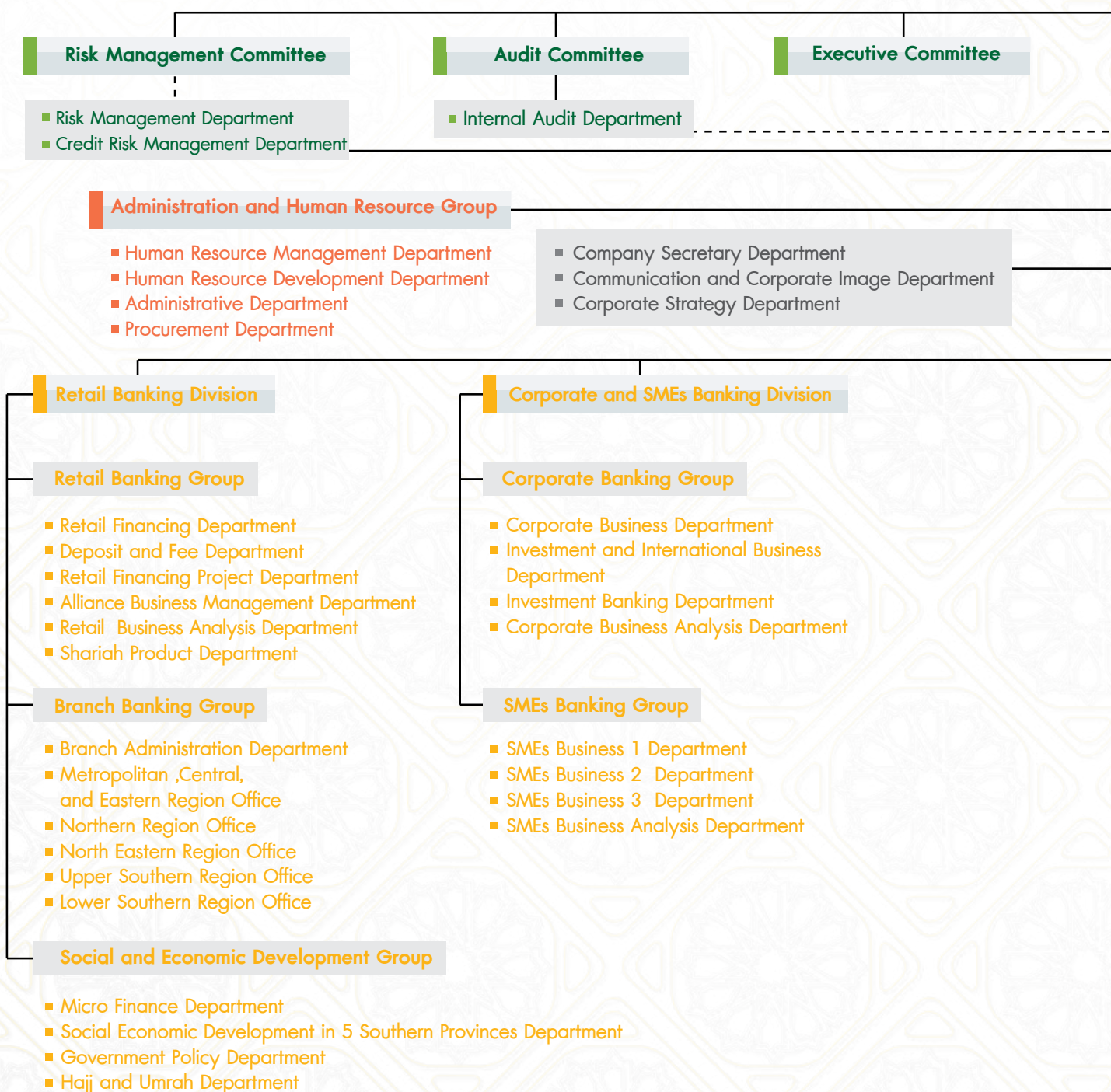


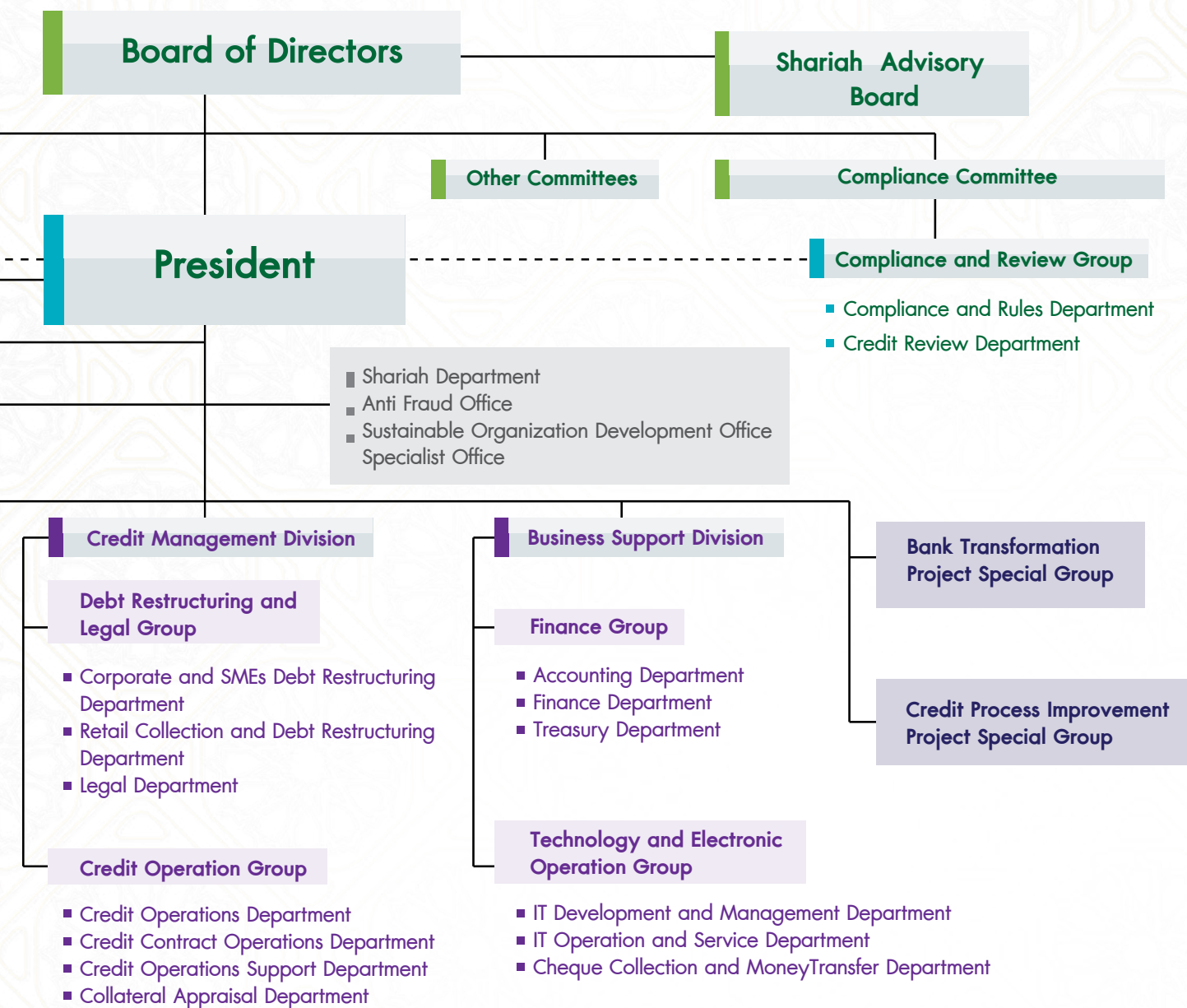
Pol.Capt. Poomin Peongsujarit

Executive Vice President, Bank Transformation Project Special Group

“ Organization Structure of Islamic Bank of Thailand ”

4 Divisions 13 Groups
45 Departments 8 Office





Effective Date 2 March 2015

According to the Rules of Islamic Bank of Thailand
On the Divisions and Functions of the Job
(Additional Amendment, No. 22 A.D. 2015)



2015 Economic Overview and Outlook for 2016

The Thai economy expanded 2.8 percent in 2015 up from 0.9 percent as reported in 2014. The attained growth rate was achieved in part due to the government's economic stimulus measures in its effort to usher the economy. The measures taken correspondingly spurred the growth of state-owned investment to 23.1 percent, up from 4.9 percent shrinkage economy in 2014. The household debt grew to 2.4 percent; compared to 0.6 percent from the previous year. However, the exports industry continued to decline to -5.5 percent, dipping further down from -0.3 percent in 2014; attributable to a slow moving economy of Thailand's major export markets countries. Meantime, the private-sector's investment continued to weaken at a rate of 2.0 percent due to the uncertainty outlook of the economy perceived by the corporate-sector. Meanwhile, the household debt continued to rise; which brought about a very limited growth in Thailand's economy in 2015.

Looking forward to 2016, The Bank of Thailand has projected economic growth of 3.5 percent; improving from 2.8 percent reported in 2015. Economic stimulus measures are expected to come from more investment both in the private and state-owned sectors. The state-owned investment, in particular, is likely to derive from: 1) the continuation of the on-going budget stimulus with more efficient and transparent methods for budget disbursement in 2016; 2) Extra budget added to the 2nd and 3rd rounds of the on-going projects; and 3) Add-on expenditures related to investment in infrastructure projects. Meanwhile, the investment from the private-sector is likely to rise up supported by the moods of investors' confidence in the government's approach on the economic stimulus measures. The investment from the private-sector is projected to increase to 3.9 percent, up from 2.0 percent since 2014. Altogether, the Thai economy in 2016 will likely be boosted further by household debt arising as a result from budget stimulus from the government's economic stimulus measures. Another good indicator will come

from the tourism sector with good recovery outlook is forecasted for 2016. However, on a negative side, the Thai economic growth may be restraint by the slow moving economy of our major trade export countries, in particular, the U.S. economy has been experiencing a slow growth. Also, Asian economies may still continue to experience the down trend arisen by the economic slowdown in China. These unfavorable factors may still lead to uncertainty in Thai export. As In term of inflation, inflation is expected to go down as the crude oil price continues to fall due to the supply-demand adjustment, a good sign of economic recovery.

Risk factors in 2016 are likely to include: i) Economic uncertainty in major export markets countries, facing a slow-pace economy, especially for Asian and US economies; ii) International political turmoil that may have a severe impact on global economic expansion; as well as deterring tourists' confidence; and iii) The draught crisis that may have an impact on the agricultural and industrial sectors.



Thai Economic Trend: Growth and Projection

percentage/year	2014	2015	2016*
Thai Economy Overall	0.9	2.8	3.5
Private-sector consumption	0.6	2.4	2.8
Private-sector investment	-2.0	-2.0	3.9
Public-sector consumption	1.7	2.6	3.4
State-owned investment	-4.9	23.1	8.8
Export value	-0.3	-5.5	0.0
Import value	-8.5	-11.4	0.9
Headline inflation	1.9	-0.9	0.8

Source: Bank of Thailand, 2015

Note:* Estimated figures

Business Overview and Competitive Environment in the Commercial Banking Sector

The commercial banking-sector in Thailand in 2015 continued to expand from the previous year; in line accordingly with the outlook for the Thai economy. The credit loan-sector expanded to 5.2 percent, up from 4.9 percent as reported for 2014. Credit loan-sector's growth derived from corporate loans at 4.7 percent up from 3.9 percent seen in 2014; as anticipated that there were growing needs for corporate and SMEs loans to be used for business expansion and working capital. In addition, the overall credit loan-sector's growth was also supported by the SFIs' subsidized low-rate lending policy being offered to SMEs operators, pushing up demand for SMEs loans. On the contrary, household debt only grew 6.4 percent as compared to 7.6 percent in 2014, due to constraint put on home loans following banks' tighter lending policies that reflected concerns over economic growth, households' ability to repay debts, uncertainty in the real estate outlook with regard to possibility for market makers' speculation. Meanwhile, households' ability to apply for new loans may adversely affected consumers' behaviors; thus, become more cautious about future spending.

As of the end of 2015, the non-performing loan (NPL) has a total of Baht 332.9 billion, up baht 55.7 million from the previous year. The NPLs comprised of all lending segments: such as consumer loans, personal loans, and corporate loans, especially in the banking and insurance sector, the agriculture-sector, the industrial-sector, the construction-sector, and the

real estate-sectors. Meanwhile, the operating cost and expenses also increased, while interest income and non-interest income declined. For these reasons, commercial banks' combined net profit fell by 17.9 percent in 2015, as compared to an increase of 2.0 percent in the previous year.

Deposits dropped to 2.5 percent, compared to 7.1 percent growth in 2014; reasonably due to a decline in average deposit interest rate by 25.9 percent from the previous year. People, reluctant to put money in their saving accounts, had turned to look elsewhere for better return on their deposits. As deposits decreased in a greater extent than loans, the lending to deposit ratio rose to 107.6 percent as of the end of 2015, versus 104.9 percent at the end of 2014.

The 2016 outlook for Thai commercial banks will likely be in better condition than 2015; the expected improvement should come from the expansion from the private investment that will grow well in line with the state-owned-investment projects; for which the 2016 budget disbursement will be made. It should be noted, however, that while demand for loan is likely to increase in line with potential economic growth; household and corporate debts that are likely to continue on the uptrend prompting commercial banks to tighten their lending policies. Therefore, the business expansion of the country's commercial banking system may be rather limited in 2016.

2015 Operating Performance and Year Plan for 2016

In 2015, IBank's operating performance focused on business recovery, following the guidelines provided by the State Enterprise Policy Office (SEPO), Ministry of Finance (MOF), and Bank of Thailand (BOT). Taken into consideration of SEPO's approved policies, IBank's operation focused on fulfilling our mission to expand upon Muslim client base; as well as seeking new strategic shareholder who has expertise and network in the Islamic banking system in a bid to strengthen our Islamic banking business operation. Furthermore, IBank also explored ways to divest non-performing financings (NPFs) by transferring NPFs to an asset management company to overcome the Bank's biggest encumbrance. The transfer of the NPF selection was based on the guidelines approved by the MOF. The transfer was aimed to separate the Bank's financing portfolios into the good bank and the bad bank. IBank appointed financial advisor and legal advisor to work out the most appropriated rehabilitation plan. The completed plan was proposed to SEPO and subsequently been approved on the 9th of November 2015. Many Investors, including Islamic banks and institutions abroad, have expressed their interest to acquire a majority share holding in the Bank. However, in order to achieve the optimum value of IBank's true business value, IBank must first bring up and maintain its BIS ratio at the minimum requirement (8.5%). In doing so, the Bank has prepared to divest NPF of non-Muslim clients to an asset management company (AMC); which was established and 100% owned by Ministry of Finance. All these moves reflected the bank's commitment to regain confidence and rebuild our bank's core business in a sustainable way as well as appropriately creating trusts among all clients and stakeholders.

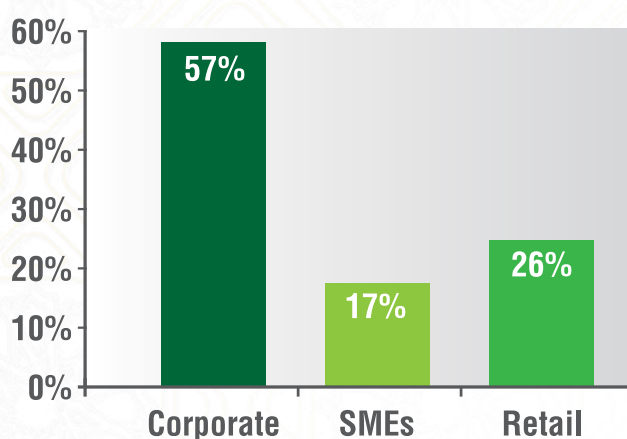
The overall performance of the commercial banking system in 2015 was hampered by unfavorable economic conditions. As a result, the banking system's integrated credit growth deteriorated from the level seen in the previous year. Meanwhile, IBank's NPF and reserved provisions for doubtful accounts were on an uptrend. With tighter measures for credit approval process, IBank continued to improve the efficiency of our credit approval process under the programs "Credit Process Improvement" and "Cap Centre". In 2015, IBank also introduced principles and criteria for qualitative credit classifications in an attempt to carefully categorize credit approval process to better reflect clients' repayment abilities. The credit-financing growth was on the down side, IBank's credit incomes declined significantly in 2015; hence, the Bank attempted to increase fee-based income, especially from the transactions linked to Bank Assurance Takaful where fee income almost doubled from last year figures. Furthermore, the Bank also focused on cost control management by closing or merging non-productive branches, and scale down the Bank's head office's rental space; as well as managing space utilization more effectively in order to save rental cost at the head office. The Bank also focused on the funding cost management by matching fund; reviewing and matching deposits to financing demand throughout the periods. The Bank also attempted to expand current account and savings account (CASA) base to reduce funding cost. The CASA ratio remained the highest in the past three years. In 2015, IBank posted a net loss of Baht 4,950 million, down 52 percent from 2014, as compared to the net loss of Baht 9,545 million. The smaller net loss was attributable mainly to the lessen amount being put in reserved provisions for non-performing financing and doubtful accounts, as the Bank had successfully completed more restructuring non-performing financing in its effort to reduce NPF. Meanwhile, the operating loss dropped significantly by Baht 124 million to Baht 38 million, as compared to Baht 162 million reported for 2014, accredited largely to the aforementioned cost management. However, the unfavorable economic conditions, coupled with high household

debts, still had kept IBank's NPF on a high note. Nonetheless, the Bank already had set aside reserved provisions in accordance with the Bank of Thailand's reserved provision requirements. Finally, in terms of the financial position in 2015, IBank's total assets amounted to Baht 91,505 million, down 17 percent from Baht 107,196 million in 2014. Financial highlights are as follows:

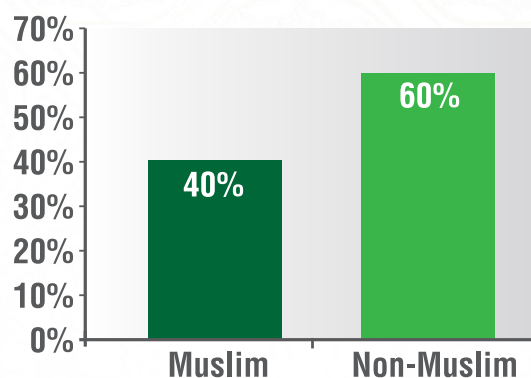
• Credit

Total credits financing amounted to Baht 98,373 million, a decline by 10 percent from Baht 111,470 million from last year. The major weakness was seen at the corporate finance segment as the bank became more cautious amid economic slowdown and capital limitation due to BIS had fell below minimum requirement by BOT. The credit financing structure as of the end of 2015 was as follows: corporate credits (credit line = > Baht 200 million) accounted for 57 percent, with outstanding of Baht 55,673 million from 114 clients; SMEs credits represented 17 percent (credit line = Baht 20 - 200 million), with the outstanding of Baht 17,254 million from 273 clients; and the retail credits (credit line = up to Baht 20 million) accounted for 26 percent, with the total of Baht 25,444 million from 113,002 clients. Of the total clients, 40 percent were Muslim while the remaining 60 percent were non-Muslim.

Credits categorized by size



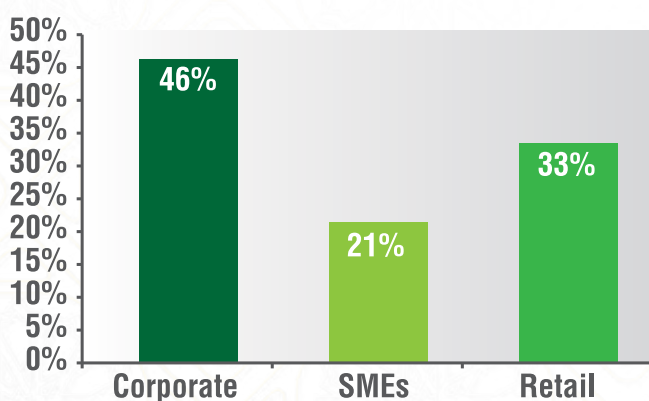
Credits categorized by clients



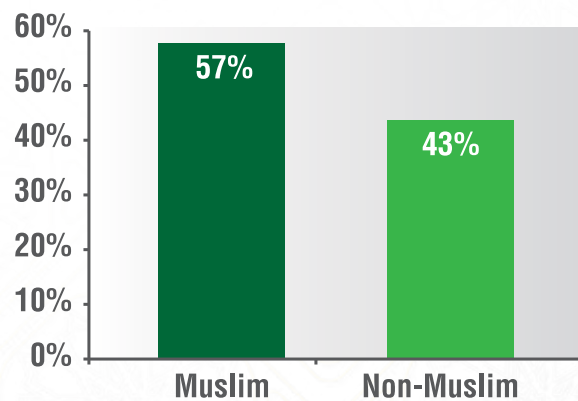
• Deposits

The total deposit in 2015 stood at Baht 101,712 million, down from Baht 113,101 million or 11 percent from the amount reported for 2014. The deposit structure for the year 2015 were in line with the finance structure: corporate clients (deposits above Baht 200 million) contributed the highest at 46 percent, with the total of Baht 46,985 million from 55 clients; medium-sized clients (Baht 20 - 200 million) accounted for 21 percent of the total amount of Baht 20,978 million from 435 clients; and retail clients (up to Baht 20 million) represented 33 percent, with the total deposit value of Baht 33,749 million from 762,358 clients. For a deposit client breakdown, the ratio of Muslim: Non-Muslim clients was 57: 43.

Deposits categorized sizes



Deposits categorized by clients



• Capital

The capital/equity was at Baht -13,436 million, deteriorating from the contraction of Baht -4,574 million in 2014. The BIS Ratio was also at -21.34%, below the minimum requirement of 8.5% from the Ministerial Regulation on the Capital Requirement for Islamic Bank of Thailand B.E. 2547. IBank has been improving our financial position under the current rehabilitation plan.

• Non Performing Financing (NPF)

IBank's NPF amounted to Baht 48,060 million, accounting for 49 percent of the total financing amounts, 5,350 Baht of which were based on qualitative classification. In 2015, the total NPF increased by Baht 182 million from the figure reported for 2014, with the NPF increase being seen mostly from the SMEs segment.

Major projects under the rehabilitation plan in 2015

Expansion of Muslim clients base

With a mission to be a key Islamic bank serving Muslim client, IBank continued to expand our Muslim client base in 2015, adding 132,992 new Muslim clients to our client base, compared to only 27,079 new Muslim clients in 2014. In 2015, IBank added the number of Muslim client by 96,913, more clients from the prior year. The added Muslim client base had almost quadrupling from the figure seen in 2014. This significant expansion in our Muslim client base in 2015 was made possible by the following activities and projects

1. IBank taking Thai Halal businesses to overseas in 2015

IBank organized workshops, with an objective to enhance the competitiveness of Thai Halal business operators to meet international standards. In light of the program, IBank educated the participants about application procedure for the Halal certification, development of packaging and owned-global branding, and strategies for overseas market penetrations. In addition, the Bank also offered funding to 157 OTOP and SMEs entrepreneurs who participated in three workshop sessions organized in Songkhla, Bangkok, and Chiangmai. The project was well collaborated and supported by the Central Islamic Council of Thailand (CICOT), Provincial Islamic Committees and Department of International Trade Promotion. Furthermore, IBank also acted as a coordinator assisting operators in application process for the Halal certification from the Central Islamic Council of Thailand. In 2015, 25 operators had fulfilled IBank's training requirements and attained the Halal certification. IBank also brought the 22 business operators who fulfilled the requirements of trainings from all three sessions to join the international trade shows and events: i) Myanmar International Franchise & SMEs Expo 2015 on 13-15 March 2015 in Yangon, Myanmar; ii) Thai Halal Product Fair on 4-6 September 2015 in Brunei; and ii) Thai trade representatives visiting Malaysia (in Kelantan and Terengganu) on 7-10 September 2015. The programs were aimed at seeking trade opportunities, trade partners, and local distributors. The program was well supported by the Thai embassy in Bandar Seri Begawan, Brunei, and the Thai Chamber of Commerce.



2. SMEs Halal Trade Finance for Imports and Exports and SMEs Halal Biz Finance for Halal Businesses

2.1 SMEs Halal Trade Finance for Import and Exports was aimed at supporting Halal SME operators in expanding their businesses towards AEC and Muslim world. The project value totaled Baht 2,000 million, with a maximum credit line for trade finance of Baht 100 million per client. With terms and conditions as specified by IBank's financing conditions on collateral; providing qualified SMEs Halal business operators with competitive profit rate. The finance under this program was offered to SME operators of Halal goods and service who were engaged in international transactions.

2.2 SMEs Halal Biz Program offered to qualified SMEs Halal Biz operators with a total project value of Baht 500 million, with a maximum credit line of Baht 100 million per client. The program offered special profit rate and long term payment duration of ten years, the finance was offered to all Halal business operators who sought a funding source for the purposes of business expansion, working capital, and asset refinancing, and/or redemption.



3. Financing Program Supporting Halal Restaurants

IBank collaborated with the CICOT, The Halal Science Center of Chulalongkorn University and the Halal Standard Institute of Thailand to support Halal restaurant operators, helping to enhance their competitiveness to meet international standards. The above three agencies jointly organized the program called “Upgrading Thai Halal restaurants towards AEC”. Under the program, Muslim restaurants across the countries were to be inspected; meanwhile, IBank was invited to support the program by providing financial aids for restaurant Halal restaurant operators who need funding to improve their operation and enhance their restaurant standards. Supporting the program, IBank approved the finance budget for the project program at Baht 300 million for interested and participating restaurant owners. A maximum credit line of Baht 200,000 was offered to each individual qualified operator without mortgaged-collateral financing; while those who sought with mortgaged-collateral financing; a maximum credit line of Baht 1 million was offered to each individual qualified operator. The finance program allowed repayment duration of five years, with a low profit rate of 4 percent, similar to the rate offered by other government projects.



4. Finance Program for Islamic Cooperatives:

The program was designed to provide financial assistance for Islamic cooperatives across the country, with finance conditions being determined in accordance with the objectives of the program.

5. Activities to access Muslim communities:

IBank organized a number of activities aimed at strengthening relationship with Muslim communities. Examples of such activities include Muslim Day, Al-Haj Deposits , Musjid Imam Assembly Conference, and village funds to educate Muslim villagers with Islamic banking knowledge. The activities received very good feedback from religious leaders as well as Muslim communities.

5.1 Musjid Imam Assembly Conference

IBank participated in the Musjid Imam Assembly Conference in Bangkok under the topic “Banking policies with the development of Muslim communities”, taking the opportunity to exchange views as well as listening to opinions and suggestions and providing clarification about the Bank's financial service.

5.2 Marketing Campaign for Al-Haj Deposit

Not only did program help to tighten the relationship between the Bank and Muslim clients but it also helped to boost the Bank's deposit base in the long term. In 2015, the Bank launched lucky draws for Al-Haj deposit account holders who fulfilled the Bank's requirement and conditions. Four winners from the lucky draws were granted a prize for a free trip to participate in the Hajj pilgrimage. Moreover, Al-Haj deposit holders who fulfilled the Bank's terms and conditions and registered to participate in the Hajj pilgrimage were given some gifts for use during the pilgrimage.



• Enhancement of Credit Process

Undergoing a credit process improvement program, IBank improved our appraisal process and shortened process duration for corporate and SME clients, but the practice was still based on an appropriate check & balance process overseen by the Bank's independent financing risk management department. For retail clients, conditions on approval authority and the credit approval system were also adjusted through the program called Credit Approval Process-CAP Center. Helping to simplify the entire approval process, shorten the process duration, reduce system users and save operating costs, the CAP Center enabled the Bank to approve credit applications faster and more effectively. As a result, the Bank managed to review 500 applications per month, up from 300 applications previously.

• Enhancement of branches' operation efficiency

In 2015, IBank closed and merged some non-productive branches, where space rental rate was high, as part of the cost management plan to enhance the branches' operation efficiency. The move was done in accordance with the bank's mission to focus on service coverage in the areas of high Muslim density and/or the areas where the level of business volume was high enough to meet the Bank's requirement. During the year, the Bank managed to close and merged 22 non-productive branches in total, reducing rental cost by Baht 41.51 million. This was translated into a rental cost saving of approximately Baht 84 million per annum. As a result of the branch closure and merging, the total branch number stood at 108 branches in 2015: 40 of which were in Bangkok and vicinity and the central, eastern and western parts of the country; 39 in the south; 17 in the north; and 12 in the north east. It should be noted that southern Thailand saw the largest service coverage given that the region was IBank's strategic location, according to the bank's mission, with the largest client base.

Deposit and Credit Portfolios classified by client groups and regions in 2015

Unit : Branch/%

Region	No. of branches	Total deposit clients		Muslim deposit clients		Total credit client		Total Muslim credit clients	
		% of total client	% of total value	No of clients/ Total client	Total value/ total value	% of total clients	% of total value	No. of clients/ tot-al clients	Total value/ total value
1. South	39	57.11%	14.05%	45.51%	6.45%	55.14%	13.04%	33.00%	6.78%
2. Bangkok and vicinities, the central, the east and the west	40	30.61%	72.59%	10.34%	6.91%	40.64%	81.89%	6.54%	8.91%
3. North	17	7.03%	8.98%	0.91%	0.89%	2.36%	4.00%	0.11%	0.33%
4. North east	12	5.24%	4.38%	0.25%	0.15%	1.85%	1.06%	0.03%	0.02%
Total	108	100.00%	100.00%	57.00%	14.40%	100.00%	100.00%	39.67%	16.04%

• Capacity Management

In 2015, the total number of Ibank's personnel dropped to 1,998 people, down by 270 people from the figure reported for 2014. The Bank had a policy to manage personnel resource to suit our business operation. Being committed to competency enhancement as well as personnel development, IBank ensured highly-skilled operation and professional service. The Bank announced new recruitment for new positions to replace the resigned ones only for the positions that required high skills and specialized expertise.

• Islamic Micro Finance

The Islamic micro finance program targeted clients only in Bangkok Metropolitan and Greater Bangkok. The program was operated through communities and mosques, with the major objective to provide financial assistance to low income clients. The micro finance was offered to low income clients so that they could access the funding source that enabled them to secure earnings, develop professions or expand businesses, provided that their business operation was not against the Shariah principles. The micro finance helped clients to expand revenue and reduce debt burdens, especially high-funding cost of loan sharks, or illegal financing with extremely high profit rate. In addition, the program also helped to improve people's financial disciplines, empowering them to access funding sources in the normal banking system more easily. In 2015, IBank focused on maintain existing client base, with 164 participating communities and over 11,000 credit clients consisting of:

- 151 communities in Bangkok;
- 13 pilot communities in Greater Bangkok, i.e., Nonthaburi, Samutprakan and Pathumthani



Solving credit default problems arising from the micro finance program, IBank continued to solve NPF in 2015. In so doing, the Bank invited credit-default clients to discuss their problems and seek a way to prevent further legal actions against them. The Bank managed to offer advice and assistance as well as reducing debt burdens to over 1,400 clients under the micro finance program.

• Social and Community Finance

As a part of its strategy to drive economic growth in the five southern border provinces, IBank initiated corporate social responsibility programs, with the major objective to provide finance to help society and communities. This included both the programs for which IBank was financially supported by the government, according to the cabinet's approvals and the programs without any government support, under the Shariah principles about offering fair financial support to people who were unable to access the normal financial system. The programs under IBank's responsibility were divided into three categories as follow:

1. Public Service Account (PSA): The programs under this category were those approved by the cabinet, including both the programs that came with financial support from the government and those without any state financial support.
2. Non – Public Service Account (Non 'PSA): The projects under this program included those under government policies or the programs that IBank collaborated with particular state agencies. However, unlike PSA programs or government-sponsored programs, such programs came without cabinet resolution.
3. IBank's programs relevant to the government's policies: Example of such programs included the bank's programs that came with a major objective to provide assistance for the society in line with the government's policies.

In 2015, IBank received state financial support for the programs under the government's policies for the total amount of Baht 47.68 million. The participating programs were the finance program to support public transportation service providers in five southern border provinces, the program to raise living standard of people and communities in the five southern border provinces and the debt moratorium program for low income earners who had outstanding not over Baht 0.50 million (good clients). The details are summarized below:



Finance for Society and Communities

No.	Projects	Approved in 2015		Accumulative amount approved		Compensation in 2015	Accumulated Compensation
		Number	Amount	Number	Amount		
Projects in five southern provinces		(persons)	(mn)	(persons)	(mn)	(mn)	(mn)
1	Loans for transportation service providers in five southern provinces	10	3.63	2,586	2,263.63	34.69	262.75
2	12 Projects under Enhancement Plan						
	2.1 Grass-root finance project	1	0.05	5,178	227.30	12.83	41.71
	2.2 Finance for hawker and freelancers	869	50.91	7,900	444.70		
	2.3 Finance for state professional development	13	0.59	218	14.83		
	2.4 Finance for Thai labor in Malaysia	116	7.90	14	5.40		
	2.5 Re-finance for underground debts	-	-	102	9.09		
	2.6 Finance for community enterprise	-	-	3	0.50		
	2.7 Finance for Muslim attires	116	7.90	1,039	59.38		
	2.8 Finance for retail Halal operators	514	32.52	2,847	158.38		
	2.9 Finance for cooperative businesses	-	-	1	16.97	-	-
	2.10 Finance for educational institution development	3	6.60	7	154.70	-	-
	2.11 Finance for educational personnel development	8	1.15	8	1.15	-	-
	2.12 Finance for repayment of informal debts (for registered cases)	-	-	-	-	-	-
Projects in three southern border provinces						-	-
3	Soft Loans for three southern border provinces	44	108.82	213	680.04	-	-
Nationwide Finance Support Projects						-	-
4	Finance support regarding the right in survivorship pension being allowed to used as collateral	10	4.97	63	28.53	-	-
5	Suspension of debts for retail farmers and income earners of not exceeding Baht 500,000 (good customers) ending August 31, 2015	-	-	1,960	148.32	0.16	1.99
6	Collaboration between financial state-owned enterprises and state agencies to support SMEs and OTOP operators to global stages	2	0.25	2	0.25	-	-
7	Soft Loan SMEs 4% between Ibank & GSB	4	54.00	4	54.00	-	-
	Total	1,710	279.29	22,145	4,267.16	47.68	306.45
Collaboration with state educational agencies to support education access for Thais		Total (persons)	Amount transferred (mn)	Accumulative number (persons)	Accumulative amount transferred (mn)		
8	Manager of government education loans (manage the funding transfers to students and educational institutions)	12,284	1,360.46	68,124	4,392.15		

Haj and Umrah Business

In 2015, IBank engaged in Haj and Umrah business, with an aim to expand our retail Muslim client base, including those engaged in Haj-related businesses. The bank's products included Al-Haj deposit, guarantee letters, and online transaction for registration to participate in the Hajj pilgrimage.

Al-Haj Deposit

IBank managed a total Al-Haj deposits of 5,967 accounts, with the total deposit value of Baht 115.2 million. The number of accounts rose by 649 accounts, from the figure seen in 2014 or equivalent to a yearly growth rate of 12.20 percent.

Finance Service

In 2015, 38 operators who were engaged in Haj-related services sought guarantee letters from IBank (versus 17 operators in 2014). The guarantee credit totaled Baht 173 million.

Promotion of Haj and Umrah operation

IBank provided online transaction service for clients who registered to travel to attend the Hajj pilgrimage. In light of the service, the bank facilitated the transfer of registration fee to the account of Department of Religious Affairs. In 2015, about 11,126 people registered, increasing by 10,895 from 2014.

Trade Finance Operation

In 2015, IBank booked combined fund-based income and fee-based income to the total amount of Baht 118.64 million, with the total business flows of Baht 3,979.29 million. The Bank emphasized service quality under the Service Level Agreement (SLA) for all steps of workflow, including import, export and foreign exchange and remittance transactions. Hence, the Banks' trade finance service received positive feedback from clients for our fast service and good service meeting direct demand of clients. The Bank continued to expand our Muslim client base, especially SMEs and OTOP operators in order to enhance standard and business potential for Halal goods and service, under the aforementioned program "IBank taking Thai Halal businesses to overseas". The Bank offered assistance about Halal certification /Halal signs, empowering operators to expand their businesses both domestically and internationally, with a focus on Halal industrial businesses or Halal food and supply chain businesses operated by Muslim owners or Muslim manpower. In addition, the Bank also supported the businesses about exports to Muslim countries across the globe. The Bank provided sponsorship for operators to participate in trade shows as well as trade negotiations, such as the events in Brunei and Malaysia under the collaboration of religious organizations and state agencies. The bank also initiated the program "SMEs Halal SMEs Halal Trade Finance to support Halal SME operators to expand their businesses towards AEC and Muslim world". The program helped to enhance potential of clients who aimed to boost their competitiveness in ASEAN and international markets.



Informational Technology System Development

In 2015, IBank improved the efficiency of our enterprise data warehouse, ensuring accurate and effective report and data input so that the management at all levels could use as reference before making any decisions. In addition, the Bank also upgraded the information security management standard from the ISO/IEC 27001:2005 certification to ISO/IEC 27001:2013 certification. The Bank passed the inspection and received the Information Security Management certificate ISO/IEC 27001:2013 of data center and back-up site under the topic "Information Security Management System applies to the provision of Data Center and Back-up Site Operation including Infrastructure Management, Physical Security Management, and Network Security Management which supports Core Banking System of Islamic Bank of Thailand from Bureau Veritas Certification.

Furthermore, IBank continued to develop our information technology system. For instance, the Bank reviewed the information technology master plan in accordance with the bank's rehabilitation strategy and business plans for 2016 – 2020. The improved information technology system was aimed at helping to appropriately facilitate work procedure that may change in line with changing corporate environment.

• Corporate Social Responsibility



IBANK managed Zakat fund and donations for those who assigned the Bank to act as a representative for Zakat fund and donation transactions. The bank managed Zakat fund as follows:

1. Zakat Account No 001-1-03879-9, Klongtan Branch was opened for receiving Zakat proceeds from Zakat contributors who assigned the bank to manage the Zakat proceeds. Zakat performance was as follows:

Unit : Baht

Details	2013	2014	2015
Scholarships	231,025	749,000	342,000
Professional support	650,000	360,000	48,500
Assistance offered to the poor	157,000	12,000	50,000
Reduction of debt burdens	45,000	—	40,211
Medical expenses	—	61,000	40,000
Total	1,083,025	1,182,000	520,711

2. Zakat Account of Islamic Bank of Thailand No. 008-1-23595-1, Asok Branch, was opened for the bank as a contributor

Unit : Baht

Details	2013	2014	2015
Scholarship	–	–	185,000
Professional support	–	–	40,000
Medical expenses	100,000	–	5,000
Assistance in case of disasters/fire	725,200	40,000	193,000
Assistance given to families of the bank's employees who passed away	–	–	20,000
Reduction of debts	52,009	–	–
Total	877,209	40,000	443,000

2016 Outlook and Business Plans

For 2016, IBank will continue to recover our business operation under the guidelines provided by SEPO. The Bank will remain proactive in striking partnership deals to seek partners to fulfill the plan to strengthen the bank's capital base, with an aim to maintain the BIS ratio at the base level 8.5 percent. In addition, the bank will transfer distressed assets to AMC. Meanwhile, the bank will also enlarge our credit growth among retail and SME clients operating Halal businesses while expanding Muslim client base, both in terms of deposit and credit services. IBANK intended to expand Muslim client base in a bid to position ourselves as the major bank for Muslims. Moreover, we will also seek ways to raise fee-based income in order to reduce the dependency on credit-based income. Finally, IBank will also adjust our work procedure to support the government's National e-Payment Master Plan.

To achieve our objectives, IBank has set the following business guidelines for 2016 operation:

- **Products:** IBank will offer tailor-made products and develop investment-related products. In addition, the bank's cross selling and product bundling, e.g. Takaful products and payroll services, will be introduced. Finance service with low collateral risks will also be highlighted, with a focus on existing good clients and new clients, particularly Halal business operators or Muslim business people.
- **Enhancement of branch's operation efficiency:** Some branches with high operating costs but poor performance will be relocated to the areas with greater business growth potential and larger Muslim client base.
- **Work process:** The Bank will continue to improve our credit approval process and enhance operational efficiency. This will also include the enhancement of collection process as well as finance disbursement control to better suit the purposes and specified conditions
- **Personnel:** The Bank will enhance the employees' capability by boosting individual productivity as well as developing their skills so that they can cover colleagues' duties when one is absent. The bank will provide trainings periodically and allocate appropriate manpower to fulfill the our missions and business goals.
- **NPF Management:** The Bank will be committed to NPF control, with clients under the Watch List being closely monitored. There will be Early Warning Sign and reports for periodical monitoring of TDR and Pre-TDR clients.



In 2016, IBank will invest in the following projects to support the aforementioned work plans:

Major investment projects in 2016

Projects	Purposes
1. Development of KYC/CDD	To effectively proceed with the authentication and verify financial transactions made by clients, under relevant laws and regulations
2. Development of work process to meet the changing accounting standard	To ensure that IBANK's disclosed financial statement complies with the accounting standard and international financial report standard

Islamic Micro Finance

In 2016, the Islamic Micro Finance Unit will attempt to expand the finance base, with a focus on Muslim client base as a part of the bank's mission to expand retail Muslim client base. The Unit will collaborate with Provincial Islamic Committee, Masjid Committee and Community Committee.

As for the solution to NPF problems, the Islamic Micro Finance Unit will continue from 2015 to assist our clients in reduction of debt problems. The Bank will organize at least two events in April and September both at communities and the bank's locations in order to provide suggestions, assistance and solutions to the debt problems.

Social and Community Finance

IBank aims to offer finance service, supporting and providing finance sources for Muslim clients and low ' income earners. The finance is expected to help them pursue their professions, lift their living quality and enable them to become self-reliant. Helping to drive the country's economy, IBank will continue to support the government's policies. The Bank's service is expected to bring the following benefits to the country:

- To solve poverty, creating job security and raise income in the communities;
- To create fairness and peace in the society by restructuring debts and reduce debts, both underground and legal ones, for people who participate in the program;
- To stimulate economic growth, investment, production and trade in the local level, which should eventually strengthen the community's overall economy (hence, all parties can gain economic benefits with equality and problems about revenue gaps will be eased);
- To extend equal education and funding opportunities to Thai people from all religions; this is a way for sustainable development of the country (particularly for the case of Thai Muslims, the bank's finance program will enable them to access financial services under the Islamic rules)

Haj and Umrah Business

In 2016, IBank will continue to carry on Haj and Umrah operation in line with our policy to expand Muslim client base. The business plans for this business segment are discussed below:

- The Bank will create opportunities and seek new marketing channels for branches and relevant departments. For instance, campaign booths will be organized in communities, mosques, Islamic organizations and educational institutes in order to promote the bank's products.
- The bank will conduct the second lucky draw for Al-Haj account holders, with the winners being given the golden opportunity to participate in the Hajj pilgrimage. Expenditure in regard to Hajj pilgrimage is deemed as spending in the way of the Allah. The program started on 1 April 2016 and will last until 31 October 2016. The lucky draw is scheduled for 24 November 2016.

Trade Finance Operation

The Bank has planned to boost revenue from trade finance operation, with the following client targets and business guidelines being set:

Existing client base

1 The Bank will boost the utilization, with a focus on existing client base who are engaged in heavy volume of letters of credit that generate high fee-based income.

2 The Bank, led by the credit department, will consider extending credit lines for clients with high potential and bright prospects for their business expansion.

Potential clients

1. Data about Halal businesses in each sector will be compiled for the Bank to use as a guideline for planning marketing strategies or reaching client targets, in collaboration with government agencies and relevant religious organizations.

2. Proactive public relation programs will be initiated. Working closely with state and private agencies, the Bank will complete product programs, which will be promoted to targeted clients.

3. Varieties of the Bank's marketing material will be produced to particularly serve demand of targeted clients.

4. The Bank will continue to support collaboration programs with organizations under the MOU, such as the Central Islamic Council of Thailand, Halal Science Center, Halal Standard Institute and etc.

5. Working with the credit approval department and branch development, the Bank will continue to introduce new products to targeted clients.

In 2016, IBank will carry on the following programs in a bid to boost our trade finance operation:

1. Halal Livestock Project

The project will be initiated in collaboration with Department of Livestock, Ministry of Agriculture and Cooperatives, with a seminar on Halal livestock development project being conducted. The objective for the project is to raise the standard of slaughterhouses and butcher shops so that they are qualified for Halal certificate. IBank will offer Halal finance and corporate finance for Halal slaughterhouse operators from three seminar sessions, which will be held in Songkhla, Krabi, and Bangkok. In collaboration with Central Islamic Council of Thailand, IBANK has a plan to make an agreement with Department of Livestock to launch projects aimed at enhancing the potential of Halal slaughterhouses and butcher shops to become competitive in ASEAN and Middle East markets.

2. Promotion of Halal Certificate for SMEs and Halal SMEs

Supported by Department of Industrial Promotion, The Central Islamic Council of Thailand has collaborated with IBank to initiate a program aimed at promoting Halal certification for SMEs and Halal SMEs. The major objective of the program is to encourage SMEs/ OTOP operators to produce products and service under the Halal standard system and to emphasize the importance of Halal standard systems, Halal GMP and Halal-HACCP. The Bank has plans to launch programs to develop OTOP and SME products to meet food safety standards and Halal standards. Moreover, the bank will also offer finance support for operators to spend on product and service development or use as working capital.

3. Halal OTOP Program

The Department of Rural Development, Ministry of Interior, has collaborated with Halal Standard Institute of Thailand and IBank to launch the Halal OTOP program. Under the program, trainings will be conducted for operators of One Tambon One Product (OTOP) in five southern border provinces, namely Patani, Yala, Songkhla, and Satun. The participants will have their products pass Halal certification, adding their product values. The Bank will offer finance for 1,000 OTOP operators in the five southern provinces who intend to enter the Halal certification system. This program shall go well in line with the Bank's policy to offer finance sources for Muslims in the south in order to boost their living standards as well as economic growth.

4. Halal Food Factory Program

National Food Institute, Ministry of Industry, launched Enhancing Thai Halal Food Program in a bid to raise the standards of Thai food production, Thai food business and Halal food business. The program also aims at ensuring food safety, quality and nutrition as well as adding product values. Another objective of the program is to restore confidence in Thai agricultural products. In light of the program, IBank will provide finance information and support and develop a credit program for clients who are in the Halal food industry. The Bank will offer finance to those who want to expand their businesses, seek



working capital and made international trade transactions, with special conditions and profit rate. Being engaged in this program, the Bank expects to help food factory operators to expand their businesses to overseas markets, especially OIC market.

5. Halal Trade Credit Welcome

The Department of International Trade Promotion, Ministry of Commerce, as the major organization to support Thai operators to pursue overseas business expansion, completed the list of 500 Thai Halal exporters. The information includes the name list of leading Halal exporters who received the Halal signs. Using such information as a reference, IBank introduced the 'Halal Trade Credit Welcome' program to support exporters in the list and this move was also a part for collaboration with Ministry of Commerce. According to the program, the Halal exporters will be offered privileges on trade finance, with the maximum uncollateralized credit line of Baht 50 million, with the profit rate of a mere SPR - 0.15% and free front-end fee. Furthermore, the Bank will also bring the participating exporters to join trade shows or trade representatives in other countries, especially ASEAN and Muslim countries.

6. Client-Base Expansion towards Muslim business people

At present, Muslim business people have formed a number of groups in many areas across the country, covering a number of business types. The groups are in both formal and informal forms, such as Muslim Business Marching (MBS). The number of business groups is likely to increase thanks to more favorable social, economic and educational circumstances and more new projects launched by business people in the new generation. In 2015, Thai Muslim Trade Association (TMTA) was registered, with a major objective to act as a main source for information about Muslim business across the country. This move is expected to drive Muslim business development in Thailand so that Thai Muslim business people can make firm presence in the international level. TMTA is currently joined by over 200 members across the country. Members are from different sectors, including food and beverage business, tourism, transportation service, property development, construction, service and etc. Seeing the prime opportunity to access more potential clients who are Muslim business people and to fulfill the bank's mission, IBank initiated the program aimed at expanding the client base towards Muslim business people. In so doing, the Bank joined with TMTA to provide knowledge about finance sources, approve finance for operators with high business potential, and offer financial and investment advice to TMTA's members.

Information Technology Development

The Bank has completed work plans on information technology development to suit the rehabilitation strategy and business plans for 2016 -2023. The new information technology development is aimed at supporting changes in all work process and business demand. In light of this, the bank has planned for the following aspects:

1. Enterprise Data Warehouse: The data warehouse system will act as the bank's data center to support work processing, empowering the bank's personnel to work effectively and make decisions in appropriate and prompt manners. The program is expected to continue enhancing the bank's efficiency.
2. Operation systems to support government's policies, e.g., e-Payment, ATM (Chip Card) and KYC/CDD
3. Review of contracts signed with vendors in order to determine suitable guidelines during certain time periods and under different circumstances and to identify the procedure to transfer knowledge from the vendors so that the bank is able to proceed with various operations or transactions by ourselves.
4. Study and development to ensure that the system supports policies and comply with regulations of the control agencies; for examples, the use of E-payment Chip Cards, operation under Basel II and IFRS
5. Review of the work system that the bank has already invested to ensure that the service is available upon approval.

Furthermore, IBank will put emphasis on Information Security Management system (ISMS) under ISO/IEC 27001:2013 to ensure that the bank carries on ISMS amid the changing technologies in systematic and adequate manners and the operation on ISMS should appropriately match the bank's overall operation, creating trust and confidence among the bank's clients.

“Corporate Governance”

The Finance Minister endorsed the implementation reform for the governance of state-owned specialized financial institutions (SFI's). The reform is aimed to ensure that the governance of SFI's is carried out in a transparent and accountable manner, with the necessary degree of professionalism and effectiveness, synchronizing with SFI's missions. The Ministry of Finance accordingly issued the Order no. 433/2015, dated April 02, 2015; mandating the Bank of Thailand (BOT) the power to supervise eight of state-owned SFI's (including Islamic Bank of Thailand). The BOT's regulatory policies which have been applicable to typical commercial banks will be applied to The Islamic Bank of Thailand for the first time. The fit and proper criterion is one compliance measure noteworthy of mentioning, will be applied to screen-select candidacy for bank directors, advisors, and executive management.

The Islamic Bank of Thailand has worked in joint effort with the BOT's team unit associated with SFI's governance policy, and acquired 6 basic regulatory frameworks as follows:

1. **Transparency:** This principle is aimed to ensure that the Islamic Bank of Thailand operates the business in accordance with proper codes of ethics or conduct as stated in the Bank's corporate governance policy approved by the Board. The Bank's employees and executives shall carry out duties with proper manner as specified by the Bank's codes of ethics or conduct; with accountability and justification in every step.
2. **Respectability:** This principle is aimed to ensure that the Bank's directors, managing director, executives, and employees have merits in their work performance, and adhere to the Bank's corporate governance policy with proper codes of ethics or conduct.
3. **Righteousness:** This principle is aimed to ensure that the Bank's units, directors, managing director, executives, and employees are honest, and trustworthy; and are prudent to their scopes of the Bank's systematic and management operations. There shall be no preference, or discriminating treatment of any kind in the Bank's operating units and among employees.
4. **Effectiveness:** This principle is aimed to ensure the creditability and accountability of the Bank's operating units, directors, managing director, executives, and employees in fulfilling the Bank's established objectives and value creation, ensuring that the performance of the Bank's mission is carried out in the utmost respectable manner, quick to respond in an accurate and timely manner for the best interest and sustainable image of the Bank.
5. **Integrity in Ethics or Conduct:** This principle is aimed to safeguard and prevent the use of inside information in the work place for abusive self-dealing. No confidential information of the Bank and clients shall be disclosed to any third party without prior written consent or permission. No Bank employees shall disclose or use of confidential information for abusive self-dealing for their own benefits, or to related transactions.
6. **Participation:** This principle is aimed to ensure that the Bank shall provide sufficient information; allocate adequate time for discussion; and encourage stakeholders or related parties with possible



conflicting interest to express their opinions and suggestion. The Bank would take these opinions and suggestion into consideration before making decision on any issue.

With strong determination, the Bank strives to accomplish the implementation reform and become the Bank of Integrity; committed to provide Islamic banking needs and services in accordance with its established objectives and missions; under the BOT's supervision. Implementing the reform not only will improve the Bank's efficiency and effectiveness, it will transform the Bank into the pride leading Islamic Bank of Thailand, and signifies its role as the Islamic funding choice for the country.

Report of the CG & CSR Sub-Committee

The Islamic Bank of Thailand (Ibank) is a state-owned Specialized Financial institution (SFI) under the supervision of the Ministry of Finance. Ibank offers Islamic banking needs and services in compliance with the Shariah banking principles. The CG & CSR Sub-Committee has the important roles and responsibilities in setting policies for the Bank's systematic and management operations; ensuring that the governance of the Bank is carried out in a transparent and accountable manner; with proper codes of ethics or conduct in concordance with the Islamic Bank of Thailand's corporate governance policy approved by the Board.

In 2015, the CG & CSR Sub-Committee has sponsored a number of activities; including shared CG knowledge through the Bank's intranet and e-mail system; as well as regularly published CG news and articles to always promote CG environmental friendliness through the Bank's website. Importantly, the CG & CSR Sub-Committee has commenced the Bank's Anti-Corruption policy; a comprehensive policy related to the Anti-Corruption laws and regulations; ensuring that the bank's business operation is fair, transparent, and justifiable in every step. The Anti-Corruption policy was intended for employees at all level to comply. In addition, the CG& CSR Sub-Committee has instated policy on the Human Right Operation Plan for fiscal year 2015, as required by the Cabinet's Resolution on the National Human Right Plan no. 3 (2014-2018) that every state-owned enterprise unit must submit fiscal year plan on the Human Right Operation Plan. The seminar held on "Human Right Knowledge and Integrity Assessment" was intended to promote good CG-based knowledge understanding; together with creating self-awareness on the Human Right issue. Moreover, the Bank also collaborated with the Office of National Anti-Corruption Commission to organize a program aimed at assessing the integrity and transparency of the Bank's overall operation. Last but not least, the Bank also promoted and encouraged employees to take part in the CG self e-learning; in cooperation with Institute for Good Governance Promotion.

The aforementioned events and activities are good evidences of the CG & CSR Sub-Committee's dedication to CG practice excellences. The CG & CSR Sub-Committee has succeeded the expectation on the duty-performance of which the Board of Directors has assigned such important roles and responsibilities be carried out with the utmost respectable manner to achieve the CG sustainability development under the Bank's current Rehabilitation Plan.

For the upcoming years, the CG & CSR Sub-Committee will be operated under the supervision of the BOT. The BOT's fit and proper criterion to screen-select candidacy for bank directors, advisors, and executive management will be applied to the Bank for the first time. This compliance measure is aimed to increase the efficiency and effectiveness in order to meet international standard in the long term. The candidacy must meet the criterion for qualification as specified by the BOT. This practice shall help to strengthen the Bank's operation. The structure of the board of directors will consist of directors with various qualifications; leadership, vision, and independence in making decision for the best interests of the Bank, without any political intervention.

Responsibilities of the Board of Directors

Structure and Responsibilities of the Board of Directors

The Structure of the Board of Director of the Islamic Bank of Thailand

The Board of Director of Islamic Bank of Thailand consists of 11 members, all of whom are experts with extensive knowledge, skills, and experience in management of different fields. The directors are appointed by Bank's Shareholder Meeting, with the appointment process complying with the Bank's rules and regulations. Each director serves the term of three years. When a director completes his or her term, the Bank shall organize a Shareholder Meeting to select the replacement. As of 31 December 2015, the Bank's Board of Directors consisted of ten directors as follows:

No.	Name	Position / Assigned Duties	Status
1.	Mr. Chaiwat Uthaiwan	• Chairman	Director
2.	Lt. Gen. Natthipong Pueksakorn	• Director • Chairman of Audit Subcommittee • Member of CG&CSR Subcommittee	Director
3.	Mr. Dusit Khasemasakchai	• Director • Member of Risk Management Subcommittee • Member of Nomination and Remuneration Subcommittee • Member of Executive Subcommittee • Member of Compliance Subcommittee	Director
4.	Mr. Nippon Hakimi	• Director • Chairman of Executive Subcommittee • Chairman of Compliance Subcommittee • Member of President's Performance Appraisal Subcommittee • Member of President Nomination Subcommittee • Member of Zakat Subcommittee	Director
5.	Mr. Panu Uthairat	• Director • Chairman of CG&CSR Subcommittee • Chairman of President's Performance Appraisal Committee • Member of Audit Subcommittee • Director	Director
6.	Assoc. Prof. Dr. Pasu Decharin	• Chairman of Information Technology Development Subcommittee • Member of Audit Subcommittee • Member of CG&CSR Subcommittee • Member of Nomination and Remuneration Subcommittee • Member of President Nomination Subcommittee	Director
7.	Miss Piyawan Lamkitcha	• Director • Vice Chairman of President Nomination Subcommittee • Member of Executive Subcommittee • Member of Compliance Subcommittee • Member of Nomination and Remuneration Subcommittee • Member of President's Performance Appraisal Subcommittee	Director
8.	Mr. Pornchai Thiravej	• Director • Member of Risk Management Subcommittee • Member of Information Technology Development Subcommittee	Director
9.	Mr. Witthaya Chaisuwan	• Director • Chairman of President Nomination Subcommittee	Director
10.	Mr. Montchai Ratanasatien	• Director • Vice Chairman to Executive Subcommittee • Member of Risk Management Subcommittee • Member to Information Technology Development Subcommittee • Member of CG&CSR Subcommittee • Member of Compliance Subcommittee • Chairman of Business Relation Affairs Subcommittee • Member of President Nomination Subcommittee	Director



Appointment of Committees, Subcommittees and Working Groups

1. Executive Committee

Scope of Authorities of Executive Subcommittee

1. To set overall investment policies; to determine investment direction for potential companies that the Bank may invest in line with the Bank's investment policies; to hold authority to approve investment guidelines and overall investment activities under the Bank's rules and regulation
2. To consider approving possible losses that may (or may not) arise from debt restructuring, keeping them within the limit granted by the Board of Directors
3. To consider credit approval, debts restructuring, investment in securities and property, seeking financial support, procurement and outsourcing and general expenditures, under the scope of authority granted by the Board of Directors
4. To recommend appropriate and effective organization structure; and to propose policies and strategies in regard to personnel, manpower, remuneration, and benefits for employees to the Board of Directors for approvals
5. To consider and review the bank's master plans on human resource development both in the short and long terms as well as other ongoing programs
6. To provide operational advice in terms of organizational structure, personnel, remuneration, fringe benefits and welfares, and dynamic and suitable organization development; to make recommendations on employment of educational institutes, external consulting companies, or particular consultants to improve the Bank's personnel management affairs
7. To develop human resources, ensuring that they possess vision, extensive knowledge, good personality and good conscience
8. To identify duties beyond scope of authorities of any Subcommittees and propose those duties to the Board of Directors
9. To consider other crucial issues, e.g., new businesses, compensation policies, credit policies, accounting policies, and lawsuits or legal cases taken against the Bank
10. To consider, approve or acknowledge other matters related to the Bank's management, for which the Executive Subcommittee views that they are significant and shall be acknowledged
11. To consider other issues assigned by the Board of Directors

Members of Executive Committees as of 31 December 2015

- | | |
|------------------------------|-----------------------------------|
| 1. Mr. Nippon Hakami | Chairman |
| 2. Mr. Montchai Ratanasatien | Vice Chairman |
| 3. Mr. Dusit Khamasakchai | Subcommittee Member |
| 4. Miss Piyawan Lamkitcha | Subcommittee Member |
| 5. President | Subcommittee Member and Secretary |

Details about the changes in Executive Committee during 2015

1. Mr. Nippon Hakami (Chairman: 23 June 2015 to present; Subcommittee Member: 21 August 2014 to 22 June 2015)
2. Mr. Montchai Ratanasatien (Vice Chairman: 21 August 2014 – present)
3. Miss Piyawan Lamkitcha (Subcommittee Member: 29 September 2014 to present)
4. Mr. Dusit Khamasakchai (Subcommittee Member: 23 June 2015 to present)
5. Miss Banthornchome Kaewsard (Chairman: 29 September 2014 to 18 May 2015)

2 Audit Subcommittee

Scope of authority of Audit Committee

1. To consider an appointment of Bank's auditor and propose the potential auditor for the Board of Directors' approval; to monitor the auditor's performance; and to consider appropriate audit fees
2. To make final decisions in case the Bank's management and auditor express contradictory Opinions on the Bank's financial reports
3. To consider other non-auditing duties that the Bank may require the auditor to perform
4. To express opinions or comments to the Board of Directors in regard to appointments, transfers, dismissal, determination of remuneration and annual performance rewards for the top management of the Internal Audit Department
5. To review and approve the charters and the code of ethics of the Internal Audit Department as well as the internal audit plans and budget allocation for the Internal Audit Department
6. To outsource consultants or professional experts to provide advice or assistance regarding the performance of the internal audit at the expense of the Bank
7. To seek further information and co-operation from the Bank's relevant employees as well as related third parties
8. To organize meetings with the management, the auditor, the internal auditor, the external consultants as necessary and appropriate
9. To authorize working groups in the Audit Subcommittee (if any) to perform duties as appropriate

Members of Audit Subcommittee as of 31 December 2015

- | | |
|--|---------------------|
| 1) Lt. Gen. Natthipong Pueksakorn | Chairman |
| 2) Mr. Panu Uthairat | Subcommittee Member |
| 3) Assoc. Prof. Dr. Pasu Decharin | Subcommittee Member |
| 4) Executive Director/Senior Executive Director of Internal Audit Department | Secretary |

Details about the changes in Audit Subcommittee during 2015

1. Lt. Gen. Natthipong Pueksakorn (Chairman: 21 August 2014 to present)
2. Mr. Panu Uthairat (Subcommittee Member: 21 August 2014 to present)
3. Assoc. Prof. Dr. Pasu Decharin (Subcommittee Member: 21 August 2014 to present)



3. Risk Management Subcommittee

Scope of authority Risk Management Subcommittee

1. To determine risk management policies to be proposed to the Board of Directors, which must cover six major risk areas, namely Shariah risks, strategic risks, credit risks, market risks, liquidity risks, and operation risks and must be in accordance with the principles of COSO Enterprise Risk Management (COSO ERM)
2. To set up strategies in accordance with the risk management policies, ensuring that the risks are assessed, monitored, controlled and kept well within the Bank's acceptable levels.
3. To consider whether the risk management policies and system are adequate and whether the system and operation are effective and go well in accordance with the set policies
4. To collaborate with the Audit Subcommittee and report some areas of risk management that need improvement to the Board of Directors in order to ensure that the Bank's risk management is carried out in line with the set policies and strategies
5. To supervise the preparations of the Bank's risk assessment reports, which shall be submitted to the Board of Directors at least once a year at the end of the fiscal year and kept at the Bank for further audit by auditors from the Bank of Thailand
6. To be authorized to securitize information, documents, individuals or relevant organizations; and to require clarification from relevant parties; and to submit minutes of meetings involved by the Risk Management Subcommittee to Board of Directors
7. To be authorized to appoint advisors to the Risk Management Subcommittee with a monthly remuneration scale of not exceeding the meeting allowance scales for Risk Management Subcommittee
8. To identify, review, and improve the Bank's GRC Framework and submit the outcome of such actions to the Board of Directors
9. To determine and review long-term GRC objectives for particular development phases in order to achieve the GRC Coverage before seeking approval from the Board of Directors
10. To support integration of the bank's good corporate governance, risk management, compliance, and business operation
11. To perform other duties assigned by the Board of Directors

Members of Risk Management Subcommittee as of 31 December 2015

- | | |
|---|--|
| 1. Mr. Dusit Khamasakchai | Chairman |
| 2. Mr. Montchai Ratanasatien | Subcommittee Member |
| 3. Mr. Pornchai Thiravej | Subcommittee Member |
| 4. President | Subcommittee Member |
| 5. Senior Vice President/ Executive Vice President | Subcommittee Member and Bank Secretary Responsible for Risk Management |
| 6. Executive Director of Risk Management Department or equivalent | Assistant Secretary |

Details about the changes in Risk Management Subcommittee during 2015

1. Mr. Dusit Khamasakchai (Chairman: 23 June 2015 to present; Subcommittee Member: 21 August 2014 to 22 June 2015)
2. Mr. Montchai Ratanasatien (Subcommittee Member: 21 July 2014 to present)
3. Mr. Pornchai Thiravej (Subcommittee Member: 23 June 2015 to present)
4. Miss Banthornchome Kaewsa-ard (Chairman: 3 June 2013 to 18 May 2015)

4. Corporate Governance and Corporate Social Responsibility (CG&CSR) Subcommittee

Scope of authority of CG&CSR Subcommittee

1. To propose CG&CSR policies to the Board of Directors
2. To continue considering and reviewing the Bank's CG&CSR policies as well as social and issues
3. To set operational frameworks in line with the code of ethics of Islamic Bank of Thailand
4. To propose operation guidance for the Bank to achieve the goals; and to propose the Bank's annual CG and CSR plans.
5. To promote and publicize cultural information and good corporate governance guidance with transparency in order to create the same understanding and practical outcome; and to encourage the Board of Directors, the management, employees, staff, communities, clients and general people to participate in the bank's CSR activities aimed at improving the society and environment and thus leading to sustainable development
6. To promote integration of governance – risk management – compliance (GRC) in order to achieve the integrity – driven performance
7. To monitor the operation related to compliance and CSR and report the operation results to the Board of Directors
8. To supervise integrated work processes under the compliance and CSR policies; and to supervise the annual reports related to compliance, CSR and environment
9. To consider appointing a working group or a consultant to the CG&CSR Subcommittee to provide support on CG&CSR operation as necessary and appropriate
10. To perform other duties assigned by the Board of Directors

Members of CG&CSR Committee as of 31 December 2015

- | | |
|--|--|
| 1) Mr. Panu Uthairat | Chairman |
| 2) Lt. Gen. Natthipong Pueksakorn | Subcommittee Member |
| 3) Assoc. Prof. Dr. Pasu Decharin | Subcommittee Member |
| 4) Mr. Montchai Ratanasatien | Subcommittee Member |
| 5) President | Subcommittee Member |
| 6) Executive Director/Senior Executive Director | Subcommittee Member
Communication and Corporate Image Department |
| 7) Chairman of State Enterprise Union | Subcommittee Member Islamic Bank of Thailand |
| 8) Executive Director/ Senior Executive Director | Subcommittee Member and Secretary
Organizational Development Office |

Details about the changes in the CG&CSR Committee during 2015

1. Mr. Panu Uthairat (Chairman: 29 September 2014 to present; Subcommittee Member: 21 August 2014 to 28 September 2014)
2. Lt. Gen. Natthipong Pueksakorn (Subcommittee Member: 21 August 2014 to present)
3. Assoc. Prof. Dr. Pasu Decharin (Subcommittee Member: 21 August 2014 to present)
4. Mr. Montchai Ratanasatien (Subcommittee Member: 29 September 2014 to present)



5. Nomination and Remuneration Subcommittee

Scope of authority of Nomination and Remuneration Subcommittee

Nomination

1. To set policies, criteria, and methods for recruitment, selection and nomination of the Bank's directors and subcommittee members for the Board of Directors to consider approving, taking into account the following aspects:
 - i) Extent and varieties of essential knowledge, skills and experience of the Bank's directors;
 - ii) Types, sizes and components of subcommittees; and recommendations to the Board of Directors relating to appointment of the replacements to fill in vacant positions due to term completion, resignations or any other reasons
2. To determine policies, criteria and methods for recruitment of executives for the positions of Executive Vice President upwards, except for the position of President
3. To ensure that the Bank has an appropriate succession plan for the position of President and propose such plan to the Board of Directors' approval

Remuneration

1. To propose an appropriate remuneration plan for the Bank's directors to the Board of Directors and subsequently to the Shareholders
2. To suggest appropriate remuneration scales for subcommittee members to the Board of Directors
3. To propose appropriate remuneration plans for executives in the positions of Executive Vice President upwards to the Board of Directors
4. To perform other duties assigned by the Board of Directors

Members of Nomination and Remuneration Subcommittee as of 31 December 2015

- | | |
|---|---------------------|
| 1) Mr. Dusit Khamasakchai | Chairman |
| 2) Assoc. Prof. Dr. Pasu Decharin | Subcommittee Member |
| 3) Miss Piyawan Lamkitcha | Subcommittee Member |
| 4) Director/ Secretary Management Group | Secretary |

Details about changes in Nomination and Remuneration Subcommittee during 2015

1. Mr. Dusit Khamasakchai (Chairman: 21 August 2014 to present)
2. Miss Piyawan Lamkitcha (Subcommittee Member: 21 August 2014 to present)
3. Assoc. Prof. Dr. Pasu Decharin (Subcommittee Member: 29 September 2014 to present)

6. Compliance Subcommittee

Scope of authority of the Nomination and Remuneration Subcommittee

1. To consider announcing or reviewing the Bank's rules and regulations in regard to personnel management, banking and operation management, and general routine operation; to provide advice or suggestions regarding the authority to announce, impose and determine the Bank's rules and regulations; and to make final examination on the completion and accuracy of the content of the rules and regulations before submitting to the authority in charge of further approval procedures
2. To review and submit compliance reports, credit review reports and relevant reports, include the Subcommittee's opinions on such reports to the Board of Directors
3. To appoint a working group or particular personnel to work on some assignments or projects
4. To invite a working group or relevant personnel to provide data or explanations about an issue so that the Subcommittee can make decisions on that particular issue
5. To perform other duties assigned by the Board of Directors

Members of Compliance Subcommittee as of 31 December 2015

- | | |
|---|---------------------|
| 1) Mr. Nipphon Hakimi | Chairman |
| 2) Mr. Dusit Khamasakchai | Subcommittee Member |
| 3) Miss Piyawan Lamkitcha | Subcommittee Member |
| 4) Mr. Montchai Ratanasatien | Subcommittee Member |
| 5) Executive Director/Senior Executive Director
Compliance Department | Secretary |
| 6) Executive Vice President,
Compliance and Review Group | Observer |
| 7) Executive Director/Senior Executive Director
Credit Review Department | Observer |

Details about changes in Compliance Committee during 2015

1. Mr. Nipphon Hakimi (Chairman: 29 September 2014 to present)
2. Miss Piyawan Lamkitcha (Chairman: 21 August 2014 to 28 September 2014; Subcommittee Member: 29 September 2014 to present)
3. Mr. Dusit Khamasakchai (Subcommittee Member: 21 August 2014 to present)
4. Mr. Montchai Ratanasatien (Subcommittee Member: 21 August 2014 to present)



7. Information Technology Development Subcommittee

Scope of authority of Information Technology Development Subcommittee

1. To come up with clear strategies in terms of information technology for effective management of Information Technology & Information Technology Governance (IT & ITG) in order to enhance the operation efficiency and control the Bank's information technology development
2. To improve the Bank's IT master plan so that the plan can support demand and policies; to determine the strategies that should be adjusted in accordance with the changes in organizational environment; and to ensure that the Bank's IT strategies or plans comply with external supervisory agencies' regulations that the Bank is required to follow
3. To consider investment, breakeven, and worth of various operation systems in order to assess the potential in terms of IT both in terms of financial and non-financial aspects; and also to evaluate the appropriateness of the IT systems that may potentially be applied to the Bank's operation.
4. To suggest IT solutions and provide advice on how to solve problems and obstacles arising from the Bank's IT system
5. To be authorized to scrutinize information, relevant individuals or departments and request them to make clarification on some issues, with the meeting reports being submitted to the Board of Directors for acknowledgement
6. Perform other duties assigned by the Board of Directors

Members of Information Technology Development Subcommittee as of 31 December 2015

- | | |
|---|---------------------|
| 1) Assoc. Prof. Dr. Pasu Decharin | Chairman |
| 2) Mr. Pornchai Thiravej | Subcommittee Member |
| 3) President | Subcommittee Member |
| 4) Senior Vice President/ Executive Vice President
Information and Technology Department | Subcommittee Member |
| 5) Executive Director /Information Technology Department
Or equivalent | Secretary |

Details about changes in Information Technology Development Subcommittee during 2015

1. Assoc. Prof. Dr. Pasu Decharin (Chairman: 21 August 2014 to present)
2. Mr. Pornchai Thiravej (Subcommittee Member: 23 June 2015 to present)
3. Miss Banthornchome Kaewsard (Subcommittee Member: 21 August 2014 to 18 May 2015)

8. Zakat Subcommittee

Scope of authority of Zakat Subcommittee

The Zakat Subcommittee has authority to manage Zakat accounts and Zakat Account of Islamic Bank of Thailand, in accordance with the objectives and the principle of Islam. The Subcommittee shall ensure that Zakat account management and operation is properly carried out under the rules of regulation of Islamic Bank of Thailand No. 11: IBank's Transactions B.E. 2553 (the 2nd Edition), Chapter 4, Section 13 (3) Zakat Account Management.

Members of Zakat Subcommittee as of 31 December 2015

1) Dr. Anas Amatayakul	Chairman
2) Assoc. Prof. Abdullah Abru	Subcommittee Member
3) Dr. Maroning Salaeming	Subcommittee Member
4) Mr. Pramote Meesuwana	Subcommittee Member
5) Mr. Senee Yupensuk	Subcommittee Member
6) Mr. Niphon Hakimi	Subcommittee Member
7) Executive Director of Shariah Department	Subcommittee Member
8) Executive Director of Haj and Umrah Business Department	Subcommittee Member and Secretary

Details about changes in the Zakat Subcommittee during 2015

1. Dr. Anas Amatayakul (Chairman: 22 October 2014 to present)
2. Assoc. Prof. Abdullah Abru (Subcommittee Member: 22 October 2014 to present)
3. Dr. Maroning Salaeming (Subcommittee Member: 22 October 2014 to present)
4. Mr. Pramote Meesuwana (Subcommittee Member: 22 October 2014 to present)
5. Mr. Senee Yupensuk (Subcommittee Member: 22 October 2014 to present)
6. Mr. Niphon Hakimi (Subcommittee Member: 22 October 2014 to present)



9. President's Performance Appraisal Subcommittee

Scope of authority of President's Performance Appraisal Subcommittee

1. To review operation plans proposed by the President, ensuring that the plans will bring the bank maximum benefits
2. To set guidelines for performance evaluation in order to accord with and achieve the Bank's vision, objectives, business goals, missions and budget that were all approved by the Board of Director
3. To identify indicators to assess efficiency and effectiveness of President's performance
4. To examine the operation and operation performance quality under the operation plans proposed by President and approved by the Board of Directors
5. To provide suggestions and submit the evaluation results, together with comments on problems, obstacles and operation limitations encountered by President as well as solutions to the identified drawbacks, to the Board of Director.
6. To review objectives and principles for President's operation and have the review results approved by the Board of Directors.
7. To present President's performance results, including the analysis to what extent the performance achieves the set business targets, to the Board of Directors before determining appropriate remuneration scales

Members of President's Performance Appraisal Subcommittee as of 31 December 2015

- | | |
|---|---------------------|
| 1) Mr. Panu Uthairat | Chairman |
| 2) Mr. Niphon Hakimi | Subcommittee Member |
| 3) Miss Piyawan Lamkitcha | Subcommittee Member |
| 4) Executive Director of Corporate Secretary Department or equivalent | Secretary |

Details about changes in the President Performance Appraisal Committee during 2015

1. Mr. Panu Uthairat (Chairman: 21 August 2014 to present)
2. Mr. Niphon Hakimi (Subcommittee Member: 21 August 2014 to present)
3. Miss Piyawan Lamkitcha (Subcommittee Member: 21 August 2014 to present)

10. Business Relation Affairs Subcommittee

Scope of authority of Business Relation Affairs Subcommittee

1. To provide comments about possible ways to enhance operation efficiency of IBank as well as ways to promote and develop the Bank's labor relations
2. To find reconciliation ways and to end disputes that occur in the IBank
3. To consider improving or amending the bank's rules and regulations for the benefits of employers, employees and the IBank
4. To accept complaints submitted by employees or the labor union as well as complaints related to disciplinary punishment
5. To discuss ways to improve employment conditions

Members of Business Relation Affairs Subcommittee as of 31 December 2015

- | | |
|--------------------------------------|----------------------|
| 1) Mr. Montchai Ratanasatien | Chairman |
| 2) Nine representatives of employers | Subcommittee Members |
| 3) Nine representatives of employees | Subcommittee Members |

Details about the change in the Relation Affairs Subcommittee during 2015

1. Mr. Montchai Ratanasatien (Chairman: 21 August 2014 to present)

11. President Nomination Subcommittee

Scope of responsibilities of President Nomination Subcommittee

1. To nominate a qualified individual to perform duties in the position of the President of Ibank, with transparency and scrutability
2. To examine the qualifications of potential President of IBank, according to the Standard Directors and Standard Qualification's for state Enterprise Board Members and Staff Act B.E.2518
3. To select and nominate qualified individuals to the Board of Director
4. To perform other duties assigned by the Board of Directors

Members of President Nomination Committee as of 31 December 2015

- | | |
|--|-----------------------------------|
| 1. Mr. Witthaya Chaisuwan | Chairman |
| 2. Miss Piyawan Lamkijchai | Vice Chairman |
| 3. Mr. Niphon Hakimi | Subcommittee Member |
| 4. Mr. Montchai Ratanasatien | Subcommittee Member |
| 5. Assoc. Prof. Dr. Pasu Decharin | Subcommittee Member and Secretary |
| 6. Executive Director of Corporate Secretary
Department or equivalent | Assistant Secretary |

Details about the changes in President Nomination Committee in 2015

1. Mr. Witthaya Chaisuwan (Chairman: 23 June 2015 to present)
2. Mr. Niphon Hakimi (Subcommittee Member: 23 June 2015 to present)
3. Miss Piyawan Lamkijchai (Subcommittee Member: 23 June 2015 to present)
4. Mr. Montchai Ratanasatien (Subcommittee Member: 23 June 2015 to present)
5. Assoc. Prof. Dr. Pasu Decharin (Subcommittee Member: 23 June 2015 to present)



Directors' Meeting Attendance in 2015

Name		Directors	Executive Subcommittee	Audit Subcommittee	Risk Management Subcommittee	CG&CSR Subcommittee	IT Development Subcommittee	Compliance Subcommittee	Business Relation Affairs Subcommittee	President Nomination Subcommittee	Nomination and Remuneration Subcommittee
		20 meetings	18 meetings	12 meetings	7 meetings	2 meetings	6 meetings	5 meetings	10 meetings	5 meetings	1 meetings
1. Mr. Chaiwat Uthaiwan	Chairman	19/20	-	-	-	-	-	-	-	-	-
2. Miss Banthornchome Kaewsard	Director	4/5	2/5	-	2/2	-	2/3	-	-	4/5	-
3. Lt. Gen. Natthipong Pueksakorn	Director	12/20	-	12/12	-	0/2	-	-	-	-	-
4. Mr. Niphon Hakami	Director	17/20	17/18	-	-	-	-	5/5	-	5/5	-
5. Mr. Panu Uthairat	Director	9/20	-	6/12	-	1/2	-	-	-	-	-
6. Mr. Dusit Kemasakchai	Director	16/20	5/11	-	7/7	-	-	2/5	-	-	1/1
7. Assoc. Prof. Dr. Pasu Decharin	Director	12/20	-	11/12	-	1/2	6/6	-	-	5/5	1/1
8. Miss Piyawan Lamkitcha	Director	16/20	16/18	-	-	-	-	5/5	-	5/5	1/1
9. Mr. Montchai Ratanasatian	Director	20/20	18/18	-	7/7	2/2	5/6	5/5	10/10	5/5	-
10. Mr. Witthaya Chaisuwan	Director	8/12	-	-	-	-	-	-	-	1/1	-
11. Dr. Pornchai Thiravej	Director	9/12	-	-	5/5	-	0/2	-	-	-	-

Remuneration of Directors 2015

Name	Compensation monthly The Year 2015	Allowance										Total The year 2015
		Directors	Executive Subcommittee	Audit Subcommittee	Risk Management Subcommittee	CG&CSR Subcommittee	IT Development Subcommittee	Compliance Subcommittee	Business Relation Affairs Subcommittee	President Nomination Subcommittee	Nomination and Remuneration Subcommittee	
1. Mr. Chaiwat Uthaiwan	240,000	137,500										377,500.00
2. Miss Banthornchome Kaewsard	45,483.87	40,000	25,000		12,500		10,000			37,500.00		170,483.87
3. Lt. Gen. Natthipong Pueksakorn	120,000	90,000		150,000								360,000.00
4. Mr. Niphon Hakami	120,000	112,500	135,000					75,000		10,000.00		452,500.00
5. Mr. Panu Uthairat	120,000	70,000		120,000		12,500						322,500.00
6. Mr. Dusit Kemasakchai	120,000	120,000	20,000		47,500			40,000			12,500.00	360,000.00
7. Assoc. Prof. Dr. Pasu Decharin	120,000	90,000		120,000			75,000			20,000.00		425,000.00
8. Miss Piyawan Lamkitcha	120,000	100,000	120,000					30,000		33,750.00		403,750.00
9. Mr. Montchai Ratanasatian	120,000	120,000	135,000				40,000	40,000	1,000	20,000.00		476,000.00
10. Mr. Witthaya Chaisuwan	71,290.32	60,000								12,500.00		143,790.32
11. Dr. Pornchai Thiravej	71,290.32	70,000			30,000		10,000					181,290.32
Total	1,268,064.51	1,010,000	435,000	390,000	90,000	12,500	135,000	185,000	1,000	133,750	12,500	3,672,814.51

Remuneration for Management

- In fiscal year 2015, IBank paid the remuneration to the management, consisting of Acting President, Senior Executive Vice President, and Executive Vice President: the remuneration consisted of salaries, child support allowance, child education allowance and contributions to the Provident Fund. The total remuneration amounted to Baht 18,073,903.26.
- In fiscal year 2014, IBank paid the remuneration to the management, consisting of Acting President, Senior Executive Vice President, and Executive Vice President: the remuneration consisted of salaries, child support allowance, child education allowance and contributions to the Provident Fund. The total remuneration amounted to Baht 19,906,329.38.
- In fiscal year 2013, IBank paid the remuneration to the management, consisting of Acting President, Senior Executive Vice President, and Executive Vice President: the remuneration consisted of salaries, child support allowance, child education allowance and contributions to the Provident Fund. The total remuneration amounted to Baht 27,796,966.60.

Employee as of 31 December 2015

No.	Department/Office	No. of Employee as of 31 December 2015
1	Senior Executive Vice President	2
2	Executive Vice President	6
Department under The Audit Committee		17
3	Internal Audit Department	17
Department under The Risk Management Committee		17
4	Risk Management Department	9
5	Credit Risk Management Department	8
Department/Office under the President		63
6	Specialist Office	1
7	Anti Fraud Office	4
8	Sustainable Organization Development Office	4
9	Shariah Department	10
10	Company Secretary Department	18
11	Communication and Corporate Image Department	14
12	Corporate Strategy Department	12
Groups under the President		
Bank Transformation Project Special Group		1
13	Group Secretary	1



Credit Process Improvement Project Special Group		4
14	Group Secretary	-
15	Credit Process Improvement Project Special Group	4
Administration and Human Resources Group		84
16	Group Secretary	1
17	Human Resources Management Department	25
18	Human Resources Development Department	15
19	Administrative Department	27
20	Procurement Department	16
Groups under The Compliance Committee		
Compliance and Review Group		40
21	Group Secretary	-
22	Compliance and Rules Department	17
23	Credit Review Department	23
Retail Banking Division		445
24	Division Secretary	2
25	Retail Portfolio Management Section	2
Retail Banking Group		163
26	Group Secretary	-
27	Retail Financing Department	46
28	Deposit and Fee Department	12
29	Retail Financing Project Department	17
30	Alliance Business Management Department	26
31	Retail Business Analysis Department	49
32	Shariah Product Department	13
Branch Banking Group		150
33	Group Secretary	1
34	Branch Administration Department	25
35	Metropolitan, Central, and Eastern Region Office	40
36	Northern Region Office	20
37	North Eastern Region Office	10
38	Upper Southern Region Office	21
39	Lower Southern Region Office	33
Social and Economic Development Group		128
40	Group Secretary	1
41	Micro Finance Department	14
42	Social Economic Development in 5 Southern Provinces Department	87
43	Government Policy Department	17
44	Hajj and Umrah Department	9
Corporate and SMEs Banking Division		145
45	Division Secretary	-

Corporate Banking Group		71
46	Group Secretary	-
47	Corporate Business Department	28
48	Investment and International Business Department	19
49	Investment Banking Department	3
50	Corporate Business Analysis Department	21
SMEs Banking Group		74
51	Group Secretary	1
52	SMEs Business 1 Department	22
53	SMEs Business 2 Department	-
54	SMEs Business 3 Department	22
55	SMEs Business Analysis Department	29
Credit Management Division		231
56	Division Secretary	-
Debt Restructuring and Legal Group		108
57	Group Secretary	-
58	Corporate and SMEs Debt Restructuring Department	19
59	Retail Collection and Debt Restructuring Department	61
60	Legal Department	28
Credit Operation Group		123
61	Group Secretary	-
62	Credit Operations Department	29
63	Credit Contract Operations Department	32
64	Credit Operations Support Department	30
65	Collateral Appraisal Department	32
Business Support Division		118
66	Division Secretary	2
Finance Group		47
67	Group Secretary	1
68	Accounting Department	25
69	Finance Department	8
70	Treasury Department	13
Technology and Electronic Operation Group		69
71	Group Secretary	-
72	IT Development and Management Department	24
73	IT Operation and Service Department	20
74	Cheque Collection and Money Transfer	25
No. of Employees (Head Office)		1,173
No. of Employees (Branch)		825
Total employees**		1,998



Policies on Prevention of Conflicts of Interest

Emphasizing the significance of compliance rules, IBank performs business with transparency and fairness. All the Bank's directors and employees perform their duties, taking account of rectitude, carefulness, and benefits to clients and the Bank. The Bank sets up appropriate rules to control and prevent actions or transactions that may cause conflicts of interest, under the code of conduct frame. Such rules are regarded as important good code of ethics that the Bank's directors, executives and employees are requested to follow in order to gain creditability and trust from all stakeholders. The set rules aimed at preventing conflicts of interest can be summarized as below:

1. The Bank's directors, president, executives and employees are all requested to disclose information about actions that causes or may potentially cause conflicts of interest on an annual basis.

2. Regarding the appointment of new directors, president, executives or recruitment of employees, it is required that the information related to conflicts of interest involved those respective persons be disclosed, starting from the effectiveness date of the appointment or the recruitment.

3. If the disclosed information is changed or new information about conflicts of interest occurs and remains undisclosed, such undisclosed information shall be informed to the Bank within 30 working days.

4. The Bank's directors, president, executives, and employees are requested to keep the Bank and clients' s secrets confidential and they are prohibited to take advantage of those secrets for their own benefits or other people's benefits

5. The Bank's directors, president, executives, employees and relavant person must not be the bank's contract parties, which will cause conflicts of interests.

6. The Bank's directors, president, and executives must not be directors, advisors, representatives, employees, workers or temporary workers of state enterprises, juristic persons or financial institutions doing the same business as IBank or being engaged in businesses that may cause conflicts of interest, except for the case that they perform duties assigned by IBANK.

7. The bank's directors, president, executives and relevant person are prohibited to obtain securities of state enterprises or juristic persons with special privilege from performing duties.

8. In case the Bank considers finance support for those in the management level from the Executive Vice President upwards or for relevant person, including any related parties or businesses, the directors or the management that involve in such connected transaction or conflict of interest, are not allowed to participate in the approval actions for that particular finance program.

9. In case an executive with duties about credit approval consideration, is transferred to a department supervising other departments, he or she is required to report his or her former duties relating to credit approval responsibilities. The report shall be made in the Disclosure Form of Conflicts of Interest within 30 working days.

The report of review results on conflicts of interest involved by the executives and the employees shall be submitted to the Audit Subcommittee; meanwhile, the report of review results on conflicts of interest involved by the president and the directors shall be submitted to the Chairman of the Board of Directors.

IBank is committed to creating and developing knowledge and understanding of "Policies on Prevention of Conflicts of Interest" for all the executives and employees, ensuring that they can really perform duties in accordance with the set policies.

In 2015, IBank invited a representative from a public Sector, who possessed knowledge, ability and direct experience, to be a guest speaker for the training program "Conflict of Interest". Also, an information booklet about conflicts of interest was completed and distributed to the executive and employees in order to encourage everyone to be aware of the significance of conflict-of-interest issues. Next year, it is expected that more operation plans to include more communication channels will be established in order to boost the Bank's efficiency further.

Internal Control

The internal control is a method that helps to facilitate the management and it is also a basic mechanism to oversee operation and business activities in the organization. Being aimed at helping the organization to effectively operate business and achieve its business goals, the internal control is a tool used for protecting the organization's assets. The tool also helps to ensure that the organization's resources are effectively utilized and all business operation is conducted with accurate and proper manners.

Internal Control Structure

- The Internal Control Assessment Committee, joined by top management at all departments, takes the responsibility for identifying policies and regulation as well as evaluating the outcome of internal control affairs. The committee also makes sure that the internal control accords with the regulation set forth by the State Audit Commission (SAC). According to the SAC's Internal Control Standards B.E. 2544, the organization's internal control practice shall be evaluated, with the evaluation results being concluded and submitted to the bank's board of directors. In addition, suggestions for possible improvement or amendment to policies, regulations and internal control evaluation forms should also be proposed. Finally, the Bank's integrate risk and internal control practice should be supported.
- The Audit Subcommittee is responsible for appointing a qualified auditor as the bank's auditor and suggesting the bank's Board of Directors to monitor performance and consider suitable auditing remuneration. The Audit Subcommittee also makes final decisions in case the management and the auditor express contradictory opinions on the Bank's financial reports. Also, the Audit Subcommittee reviews and approves charters and code of ethics of the internal control department as well as internal audit plans. Furthermore, the Subcommittee also oversees risk management to ensure that the Bank's risk management in all aspects is appropriate and efficient, based on the bank's acceptable risk levels. Finally, the Audit Subcommittee also reviews overall internal control in order to ensure that the Bank's internal control system remains appropriate and adequate.
- The Bank assigns management at all levels to participate in and take responsibility for the Bank's internal control processes. The top-level management monitors the performance of the Risk Control Self Assessment (RCSA) system on two major work procedures, i) the internal control assessment based on risk levels (Por.Yor 2 Form) according to SAC's Internal Control Standards B.E. 2544, Chapter 6 and ii) the internal control practice in accordance with the components of Internal Control Standards (Appendix A and Appendix B). The Bank's internal control system should be reviewed and assessed in order to find out whether the system is adequate and efficient. Meanwhile, risks linked to responsible functions should also be managed in order to ensure that all business goals and objectives are effectively achieved.

Major moves in regard to the Bank's internal control in 2015

1. The Bank completed annual internal control plan for fiscal year 2015. Observed issues (based on TRIS's assessment) were concluded before completing a plan for improvement of the Bank's internal control practice. The plan was subsequently submitted to the Board of Directors for approval.
2. The Bank analyzed risks based on the RCSA system before completing a plan for improvement of the internal control at the organizational level. In addition, also based on the RCSA analysis outcome, the Bank came up with the plan or measures to improve the internal control at division levels where some issues concerning internal control were raised in 2015.
3. Reports of the internal control assessment based on risk levels according to SAC's Internal Control Standards B.E. 2544, Chapter 6, on the division levels (Por.Yor 1 and Por.Yor 2 Forms) and the levels of audited departments (Por. Or. 1, Por.Or 2, and Por. Or. 3 Forms).
4. The Internal Control Assessment Committee convened quarterly for a total of four meetings during the year in order to: i) review the Bank's internal control plan for the year 2015; ii) report the results of internal control assessment according to SAC's Internal Control Standards; and iii) and improve and revise the Bank's policies and operation regulations.
5. The Bank organized workshops on Risk Control Self Assessment (RCSA) in 2015 for 45 departments, eight units, five regional offices, 15 district offices, two divisions, and 108 branches. The workshop for branches under the north and northeast regional offices was held on 17 November 2015. The workshop for branches under the metropolitan, central and east regional offices was organized on 23 November 2015. The activity for branches under the upper southern and lower southern regional offices was organized on 27 November 2015. Finally, on 21 December 2015, the workshop was held for departments at the head office.



Channels for Communication and Complaints Handling Center

- iBank Call Center 1302
- Complaints Box located at Islamic Bank of Thailand, Head Office
66 Q-House Asoke Building, 21st floor
Klong Toey Nhua sub-district, Wattana district , Bangkok, 10110
- Mail all inquiry and complaints to:
The Office of the Organizational Sustainability Development
Islamic Bank of Thailand, Head Office
66 Q-House Asoke Building, 15th floor, Sukhumvit 21 Road
Klong Toey Nhua sub-district, Wattana district , Bangkok, 10110
- E-mail: complaint@ibank.co.th, info@ibank.co.th
- Online complaints via www.ibank.co.th
- Complaints in person at/to: The Office of the Organizational Sustainability Development
66 Q-House Asoke Building, 15th Floor Sukhumvit 21 Road
Klong Toey Nhua sub-district, Wattana district , Bangkok, 10110

Moreover, additional channels for disclosure of information are as follows:

- Annual Reports disclosing significant management information, financial statement, audit reports, information about management and compliance, and etc.
- The Bank's official website, www.ibank.co.th disclosing the bank's important information including annual reports, recruitments, procurements, products, and service, CSR activities, news and events. The website is also a channel for clients to make inquiries, inform of problems, file complaints, and etc.

“ Risk Management ”



Overview of Risks Management of Islamic Bank of Thailand

In 2015, Islamic Bank of Thailand reviewed and adjusted the bank's major risk management policies to enhance management efficiency during the time when the extent of organizational risks changed more severely under the economic circumstances that had significant impact on the bank's operation and capital position. The bank applied the COSO ERM Framework, which is an international principle for risk integration, as a guideline for operation on risk management. Encouraging all departments to participate in risk management as risk owners, the bank diversified risks to cover all aspects of the entire organization to ensure that the risk management was carried on in accordance with the bank's annual risk management plan. Major procedures on risk management in 2015 are summarized below:

1. Completing/reviewing 2015 risk management plan and having such plan accepted by the Audit Committee and approved by the Board of Directors
2. Determining policies/guidance for risk management as an operational framework for risk management operation, allowing involved parties to manage relevant risks appropriately
3. Completing a guideline for risk management operation
4. Supporting risk analysis based on the RCSA system when completing/reviewing the bank's 2015 risk management plan
5. Proceeding with the quality management system ISO 27001:2005, which started in 2011: The bank received the ISO/IEC 27001:2005 certificate on the information technology security from Bureau Veritas Certification Co. Ltd. on 25 September 2012. According to the PDCA plan, surveillance audit must be



regularly performed to maintain efficiency. This implementation covered several areas including basic facilities, physical security management, and network security management for the data center that supported IBank's core banking system. The Bank was awarded "Certification Body" and the initial ISO/IEC 27001:2005 Version was upgraded to ISO/IEC 27001:2013 by Bureau Veritas Certification (Thailand) Ltd. on 27 August 2014. The bank passed the annual inspection in 2015, with all goals being achieved.

6. Restructuring organization, with an additional credit risk management unit being established to work on enhancement of the bank's risk management operation

7. Proceeding with the Credit Process Improvement program aimed at i) enhancing the efficiency of credit service to support rapid growth and changes in the bank's credit service and ii) upgrading operation standards to either equate to or beat standards at commercial banks or other state enterprise banks

8. Applying a number of risk management approaches, e.g., Portfolio View of Risk Model, GRC Model, Value Creation Model, Value Enhancement Model, and etc. to risk management operation

9. Monitoring the operational progress on the bank's proactive treatment plan, focusing more on qualitative operation

10. Identifying KPIs in regard to risk management and internal control relating to payments of returns; and monitoring the outcome of such KPIs on a regular basis

11. Testing the Disaster Recovery Plans (DRP), such as Core Banking System, ICAS system, ATM system and etc.

12. Testing the Business Continuity Planning (BCP) on the IT Security Management System ISO/IEC 27001 Core Banking System as well as major transactions that impacted clients and control agencies, e.g., BOT

13. Developing the Early Warning System (EWS) through the bank's Intranet system

Risk Management Structure

IBank prescribed the structure of supervision to work on and enhance the Bank's risk management operation, consisting of the following board and relevant committees:

1. Board of Directors: The Board is responsible for setting policies and guidance on risk management, overall risk management strategies and risk management planning under the good corporate governance principles.

2. The Executive Sub-committee: The Executive Sub-committee determines investment policies, reviews and considers investment activities, and approves credit applications, as assigned by the Board of Directors.

3. Shariah Advisory Council of Islamic Bank of Thailand (Religion): The Council provides advice and suggestions for the Board in terms of relevant religious principles to ensure that the Bank's operation complies with Islamic banking principles.

4. Audit Sub-committee: The Audit Sub-committee independently oversees the Bank's risk management and makes certain that the bank carries on adequate internal control activities to manage risks throughout the organization. In addition, the Sub-committee also helps to enhance the efficiency of the internal audit department as well as the quality of relevant reports.

5. Risk Management Sub-committee: The Risk Management Sub-committee establishes policies on risk management that cover all areas, i.e., Shariah risks, strategic risks, credit risks, market risks, liquidity risks, and operation risks, based on the COSO ERM. In addition, the Risk Management Sub-Committee also monitors, controls and sets risk management strategies to support the integration of Corporate - Governance' Risk Management' Compliance (GRC).

6. Asset-Liquidity Committee (ALCO): The ALCO has important roles in setting management rules and guidance on liquidity risk, rate of return risks, and market risks. The ALCO is also responsible for deciding and determining the Bank's strategies and takes duties and responsibility in the bank's asset and liabilities management.

7. Compliance Sub-committee: The Compliance Sub-Committee's scope of duties and responsibilities include considering and/or reviewing the bank's governing rules and regulations in regard to personnel management, banking business operation management, and general routine operation management. In addition, the Sub-Committee also provides advice, opinions, or suggestions regarding compliance and credit review recommendation and reports such matters to relevant Sub-Committees/Board of Directors.

8. CG&CSR Sub-committee: The CG & CSR Sub-Committee sets corporate governance policies and ensures that the Bank's systematic and management operations are carried on in accordance with the codes of ethics / and or conduct as stated in the Bank's corporate governance policy. The Sub-Committee also supports business operation, based on good corporate governance principles. Furthermore, the Subcommittee helps the bank to promote and publicize information about culture and good corporate governance guidelines, with accountability and transparency; in order to create the same understanding at all levels

The Bank appointed the Board, Subcommittees, and working groups to support risk management at the operational level, including Credit Review Sub-Committee, Product Development Sub-Committee, Debt Restructuring Sub-Committee, Deposit Return Review Sub-Committee, Crisis Management Committee (CMC), IT Steering Sub-Committee, Internal Control Assessment Sub-Committee, Working Group on Intensive Strategy and Business Planning, and Working Group on Enhancement of Standard of Shariah Operation, and etc.

Risk Management By Category

Shariah Risks: Shariah risks include risks in regard to the possibilities that the bank's operation, product presentation, and service may fail to comply with the Shariah banking principles, as suggested by the Advisory Committee of the Islamic Bank of Thailand (Shariah Sub-committee) and/or violate the Islamic Bank of Thailand Act B.E. 2545. Actions that contain the aforementioned risks may have an impact on the bank's status, reputation, liquidity, income and capital. IBank places the most significant emphasis on this particular risk area and regards it as a major aspect of operation risks specified in the Bank's inspection guidance.

All of the Bank's operational processes and procedures must always taken into the accountability to comply with the Shariah principles, IBank has set policies and guidance on managing risks related to the Shariah principles. Approved by the Board, such policies and guidance are referred to as an operational framework in regard to Shariah-risk management. It should be noted that competitive financial services and products under the Islamic rules that serve targeted clients' demand, normally come with some restriction in regard to tax, duty as well as relevant fees. These restrictions imply higher operation costs for the Bank. Hence, to ensure that all operation and procedures accord with the Shariah principles, IBank is committed to monitoring and controlling Shariah risks through the analysis, monitoring, and reporting of all information related Shariah, e.g., reports on Shariah-risk situations, reports on the changes of numbers of deposit clients and Muslim clients, reports on anticipated damages caused by possible actions against the Shariah principles. All these reports are submitted to relevant Sub-Committees, e.g., Shariah Advisory Council of the Islamic Bank of Thailand, Risk Management Subcommittee, Audit Sub-Committee, Board of Directors, and etc. Information from such reports is taken into consideration when a strategy on Shariah-risk management is drafted. In addition, a working body was particularly established to enhance standards on Shariah operation; this working group is responsible for identifying Shariah principles, based on the international standards for Islamic banks' operation. Such standards are applied to the Bank's products and service, with problems, restrictions and suggested solutions being identified. This practice helps to lift the standard of the Bank's Shariah operation to meet the international standard of Islamic banking. In addition, the practice also helps to improve competitiveness in the current AEC era. Moreover, the Bank also puts emphasis on publication of knowledge through various internal communication channels, including Intranet, voice, leaflets and etc., to ensure that all employees are aware of and understand the operation guidance. Hence, all employees are expected to perform their duties in accordance with the Shariah principles



and clearly explain the Bank's Shariah principles to clients in an effective manner and under the same standard.

Strategic Risks: Strategic risks occur when the set strategies, operation plans and implementation do not suit or accord with internal factors and external environment, which may have a negative impact on the bank's income, capital, and business survival.

Emphasizing strategic risk management, the Bank came up with a set of policies and guidance, approved by the Board of Directors. The guidance is used as a framework for strategic risks management procedures, under the supervision of Risk Management Sub-Committee who provides advice and oversees risk management reports on a regular basis in order to find solutions to various risk factors. A working body on intensive strategy and business planning was established to work on this risk area; this working body has duties to analyze problems and obstacles as well as figuring out solutions. The working body also makes aggressive moves to accomplish the set objectives and business plans both in the bank level and operational level and ensure operational achievement.

The Bank continued to carry on effective strategic risk management, which can be summarized below:

1. Identifying risk factors and risk indicators; monitoring and reporting plans to control/mitigate risks; realizing on the significance of risk indicators
2. Proceeding with risk management plans to accord with the bank's overall plan and making appropriate adjustments under the changing circumstances
3. Reporting and monitoring risks in order to assess the risk extent from the analysis of economic conditions, competitiveness, planning process, operation plans, and etc.

Moreover, a strategic development procedure was established in order to achieve the following objectives:

1. To enable the Bank to conduct systematic strategic and business planning, with respective risks being taken into account
2. To prevent and mitigate possible damages caused by impacts of both internal and external risks
3. To manage and ensure that the bank's operation in all areas is well conducted in line with the bank's overall operation plan
4. To comply with the regulations set forth by the BOT

The Bank completed/reviewed the rehabilitation strategies and business plans for 2015¹ 2517, with the aims to strengthen the bank's financial stability and enhance internal management. Performance of the operation based on the aforementioned plans was monitored and compared with the set goals. Meanwhile, some measures to cope with both internal and external changes, which might have an impact on the Bank's strategic risk management, were identified. In addition, the below-expected performance result, based on the Performance Agreement for fiscal year 2015, was included as an additional risk factor to the 2015 risk management plan of Islamic Bank of Thailand. Some unfavorable issues that had a negative impact on the bank were also pointed out to ensure that all risk factors were addressed, according to the criteria for the bank's annual performance assessment on the organization management in terms of risk management.

In 2015, the Bank focused on strengthening the funding for distressed asset development, boosting income growth, reducing costs, improving sales channels, and enhancing credit quality. All of these moves caused strategic risks and had a direct impact on the Bank's core operation. The major risks impacting the Bank's operation included credit risks and operation risks, which raised the level of strategic risks. As the bank's strategy-based operation and business plans may not achieve the set goals, the Bank thus has to adjust strategies for business survival.

As the Bank's BIS ratio and cost to income ratio are likely to increase, it is thus essential that the bank's strategic risk management be adjusted and improved. It is also important to monitor the changing situations regularly and come up with some guidance to tackle any changing circumstances and such guidance shall be proposed to the Risk Management Sub-Committee and the Board of Director on a regular basis.

Credit Risks

Credit risks refer to risks that credit contract partners or borrowers fail to make required repayments or that the quality of financing deteriorates; as a result, the bank loses some principle. Credit risks may have an impact on the Bank's income and capital. The risks are caused by both internal and external factors that have an impact on the debt repayment ability of borrowers, resulting in a default on debts of a particular client or the overall portfolio. A default on debts causes damages to the Bank. In 2015, IBank's non-performing financing (NPF) accelerated significantly. Therefore, the Bank established the rehabilitation strategies and business plans, with aggressive moves to urge clients to join the debt restructuring program in order to lessen the bank's provisioning burdens. For some cases where debt restructuring is not possible, the bank will, as the last resource, take legal actions against the clients, together with negotiations in order to proceed with collection procedures and maintain the right to take legal actions against clients. The Bank's financing quality development department collaborates with related departments to ensure that debt restructuring procedures and legal actions against clients are carried on in a prompt manner and go well in the same direction. Moreover, the Bank also periodically reviews the collateral for financing that may potentially become NPF and keeps the appraisal value updated before proceeding with further provisioning process. Details about the bank's guidance on credit risk management are discussed below.

Guidance on credit risk management

IBank's guidance on credit risk management complies with the ministerial regulation and rules of the BOT. The guidance is also based on the balancing between business tasks and credit review to ensure transparency and balanced power to review credit. In light of the guidance, the Bank's credit officers are encouraged to work towards the same goal, i.e., promoting and expanding quality financing. The Bank works on credit risk management, based on the guideline about strengthening credit culture within the organization, with an emphasis on the credit operation efficiency and financing quality under appropriate collection and control procedures, e.g., development of automatic operation system and quality enhancement. In regard to personnel, the bank sets operation procedures and clearly identifies roles and responsibilities of personnel both at department and individual levels; this is conducted under the Credit Process Improvement program, which was designed to ensure that all employees share the same understanding on credit operation guidance and are able to explain this guidance in the same way. Furthermore, the Bank also arranges credit trainings to educate relevant employees on credit matters in order to enhance their knowledge, skills and competencies so that they can continue to offer appropriate credit service to particular clients.

Credit policies and tools for credit risk management

The Bank completed a credit risk management plan to keep credit risks well with the Bank's acceptable level. The plan was aimed at highlighting clear objectives for those involved in the operation. The bank then established a policy and operation plan, based on the aforementioned risk credit risk management, covering service to all client groups and all credit products. The required qualifications of potential clients are based on the international standards and also accord with the Shariah principles, the ministerial regulation and rules of the BOT. Moreover, the Bank also realizes the significance of credit risk management tools, especially in terms of the credit risks assessments on clients as well as credit diversification. Having complied and improved various credit policies, the Bank thus input a practical credit risk guideline in the bank's data base, which can be accessed all the time. Meanwhile, the Bank also developed a tool to assess client's credit risks to facilitate the credit review procedures. Also, the pricing for particular clients is also set in accordance with risk exposures. In regard to the development of the risk assessment tool, the credit scoring was developed for clients seeking finance with credit limits of not exceeding Baht 20 million. This newly-developed tool is different from the previous tool when the assessment result only showed whether a client is qualified, required to submit additional information, or disqualified. The credit tool classifies risks into 13 levels, similar to the Credit Risk Rating (CRR) method, for clients with credit limits of over Baht 20 million. As different types of



business contain different extents of risks, the Credit Risk Rating approach does not assess only credit limit. The credit risk rating also assesses the risk exposures and levels in each particular business for clients who operate hotel and real estate businesses, which is applied to all credit limits. Meanwhile, the credit risk rating for SMEs and corporate clients are based on the credit limits. The Bank's practice on credit risk rating is aimed at enhancing the quality and accuracy of the bank's credit risk assessment tool. The Bank already completed credit risk rating guidelines, with the details of Credit Risk Rating (CRR) and Credit Scoring-SMEs Ezy Scoring for clients with credit limits of not exceeding Baht 20 million being summarized below:

1. **Credit Scoring for corporate clients with credit limits of not exceeding Baht 20 million (E)**
2. **Credit Risk Rating for SMEs Customer (S)**
3. **Credit Risk Rating for Corporate Customer (C)**
4. **Credit Risk Rating for Hotel Business Customer (H)**
5. **Credit Risk Rating for Real Estate Customer (R)**

As for retail clients, the Credit Scoring tool is applied to facilitate credit approval. The Credit Scoring tool helps to enhance the efficiency of credit approval and life credit process standards, both in terms of process duration and quality. Furthermore, the Bank also assesses relevant factors, e.g., income, asset values or business operators and households, which may have an impact on the client's repayment ability. This practice shall mitigate some negative impacts in case a default on debts occurs.

Financing quality

IBank managed new financing in 2015 very carefully and closely monitored the financing post-approval while clients' financing quality was regularly examined in order to prevent the formation of non-performing financing (NPF). The bank has placed a significant emphasis on reducing NPF by making aggressive moves on debt restructuring, debt collection and legal actions against clients with defaults on debts; the details of which are summarized below:

1. Setting clear measures against uncooperative clients or those having undergone a number of debt restructuring programs, e.g., legal actions, filing bankruptcy and etc.
2. Urgently studying ways to transfer NPLs in accordance with the Shariah principles in order to complete a contingency plan on how to manage clients with no potential for good solutions
3. Assigning credit approval personnel to make regular visits/calls on clients in a bid to raise the utilization of good clients; monitoring clients' business operation performance and accordantly fine-tuning credit conditions to be in line with their revenue and business circumstances to prevent the formation of NPF and boost revenue from good clients.

Credit Concentration Risks

The Bank's credit policies include guidance for coping with credit concentration risks, in accordance with the state principles on Single Lending Limit, Single and Group Exposure Limits and Sector Limit. The guidance is aimed to diversify risks and prevent significant risk concentration. The Bank is cautious about supporting a new client doing businesses where risk concentration equates or exceed the risk appetite (RA). In addition, credit concentration risks are closely monitored. As of the end of 2015, the Bank's approved financing for the industrial sectors went mainly to the manufacturing sector.

Market Risks refer to risks in regard to rate of return risks, foreign exchange rates, bond prices on the capital market, all of which have negative impacts on the bank's income and capital. Market risks are divided into three categories, i.e., rate of return risks, foreign or currency exchange risks, and price risks.

To manage market risks, the Board of Directors authorizes the ALCO to determine strategies, guidance, and operation guidelines on management of liquidity risks and rate of return risks. The management on market risks is also carried on in accordance with the policy set forth by the Bank's Risk Management Sub-Committee.

The bank is committed to managing market risks to mitigate impacts of rate of return risks, i.e.,

the major cause of the market risks encouraged by the Bank. In order to ensure effective market risk management amid the dynamic circumstances as well as changing internal and external risk factors, the Bank designed particular policies, measures, and tools to manage market risks. Such policies and tools were also aimed at controlling, assessing, monitoring, and reporting significant risks that may impact the Bank's operation. The details of the Bank's major actions on market risk management in 2015 are discussed below:

1. Determining policies on market risk management, which included the following:
 - Completing Market Risk Management Policy and Guideline, which was used as an operation framework on market risk management
 - Reviewing and fine-tuning risk assessments from Trigger Notice or Report and Risk Limit on market risks, in accordance with the changing circumstances
2. Establishing the following tools for market risk assessment:
 - Asset and Liability Management (ALM) for Data Warehouse, including the Re-pricing Gap Analysis used for analysis of the changes in rate of returns in particular periods and assessment of possible impacts of NPI Effect and/or EVE Effect
 - Value at Risk (VaR) used for assessment of risks of loss that may occur with the bank's investment portfolios, with the back testing on the VaR being regularly conducted
 - The market risk assessment from Trigger Notice or Report and Risk Limit, covering the causes of market risks, e.g., rate of return risks, foreign or currency exchange rate risks, Gap Limit, Position Limit, VaR Limit and etc.
3. Monitoring and reporting market credit risks:
 - Monitoring crucial factors that may have direct and indirect impacts on mark risks, such as economic trend, changes in yields in the money market, changes in foreign or currency exchange rates, and etc.
 - Monitoring and reporting issues relating to market risks, such as reports on the credit risk status, reports on operation about market Risk Limit, Trigger Notice or Report and etc.: such reports were submitted to the Board, the Risk Management Subcommittee, the ALCO on a regular basis in order that the bank would come up with strategies or solutions in a prompt and effective manner.

Liquidity Risks occur as the Bank is unable to settle debts or liabilities due to failure to do the as-set capitalization or secure sufficient funding. As the cost exceeds the risk appetite, the Bank's income and capital, both at present and in the future, may be impacted. Furthermore, liquidity risks may happen as the bank is unable to unwind or offset the existing risks from the assets that Bank is holding; therefore, the Bank is forced to sell assets at the price below the acquisition cost due to very low liquidity or lack of liquidity.

The Board of Directors authorizes the ALCO to draft strategies, guidance, and operation guidelines in order to manage liquidity risks, rate of return risks, and market risks, making sure that the guidelines go well in line with the Risk Management Sub-Committee's policies. The liquidity risk management is intended to be carried on as the bank's continuing operation, which is aimed at ensuring that the Bank's liquidity is adequate to support business operation both during normal circumstances and crises, under appropriate costs and the condition that bank is able to fulfill the financial obligations. The operation is based on the Bank's liquidity risk management framework and is carried on, with the bank's risk appetite being taken into account. The Bank's policies, measures and tools for liquidity risk management as well as for risk management monitoring and reporting are summarized below.

- 1) Setting and reviewing policies on liquidity risk management:
 - Reviewing the bank's liquidity risk management policy and guideline for operation on liquidity risk management
 - Reviewing risk trigger notice or report, liquidity risk limits, and appropriately adjusting them to accord the changing circumstances
- 2) Establishing liquidity risk assessment tools, which included:
 - Reports of maturity gaps



- Liquidity risk assessments based on trigger notice or report and risk limits: such as
 - (1) Net Liquidity Assets to Net Liquidity Gap Ratio)
 - (2) Financing to Deposit Ratio ' F/D Ratio)
 - (3) Concentration Ratio of corporate deposits
 - (4) Liquidity Coverage Ratio
 - Assessing liquidity adequacy under various scenario analyses, e.g., continuing withdrawal from corporate deposit accounts, and etc.
 - Assessing possible impacts of credit risks and reputation risks on liquidity risks
- 3) Monitoring and reporting liquidity risks:
- Monitoring general risk factors that may have direct and indirect impacts on bank's liquidity, such as economic outlook, commercial banks' liquidity, changes in rate of returns in the money market, competition among financial institutions, and etc.
 - Monitoring and reporting of liquidity risk situations, such as reports on liquidity risk status, observations of general risks that may have an impact on liquidity risks, operation related to on liquidity risk limits and trigger notice or report, mismatching of fund, and etc., all of which were reported to the Board of Director, the ALCO and the management on a regular basis in order to enhance the bank's risk management

Operation Risks are defined as risks linked to the lack of good corporate governance for the bank's internal operation, personnel, operational systems or external circumstances, affecting the bank's operating revenue and capital. Operation risks also include legal risks but exclude reputation risks.

In terms of operation risk management, the Bank set procedures for risk identification, risk assessment, risk monitoring, risk reporting and risk control / mitigation, based on the international standards. In addition, to comply with the Islamic Bank of Thailand Act B.E. 2554, the Bank placed the greatest emphasis on development of management system for Shariah risks, the major risk area for IBank, as Shariah risks may occur in the Bank's operation, service and especially financial products under the Shariah principles.

The Bank completed a policy and guideline on operation risk management, including major risk management processes and tools, e.g., Loss Data Collection System (LDC), Risk Control Self Assessment (RCSA), and Key Risk Indicators (KRIs). Moreover, the bank also monitored the progress of the major risk management plan. Meanwhile, tools supporting the Bank's mechanism to mitigate risks included the Outsourcing Policy, the Business Continuity Management Plan (BCP), the Emergency Plan, and the Disasterous Recovery Plan (DRP), all of which were reviewed annually.

To enhance the Bank's internal control operation, representatives of various departments were appointed as Risk-Internal Control-Compliance-Officer (RIC Officers), who cooperate, review, and report any circumstances or operations related the risks in regard to the internal control system and the compliance. Also, the RIC Officers publicized any knowledge or information related to the personnel given that personnel participation is also a part of operation on management of operation risks.

To mitigate risks, the Bank determined risk appetite and risk tolerance in order to anticipate and contain possible damages. If the anticipated damages exceed the risk appetite, the Bank will come up with a risk management plan in a bid to contain the anticipated damages to be well within the acceptable level.

The Capital Adequacy

As a state enterprise under Ministry of Finance, Islamic Bank of Thailand is required to maintain the BIS Ratio at the minimum requirement rate of 8.5 percent. However, the NPF problem in 2015 that forced the bank to set aside more reserved provisions causing the Bank to post a net loss of Baht 4,594.94 million and a negative BIS Ratio of -21.34 percent, which was far below the minimum requirement rate. Therefore, in order to regain the needed capital required to turnaround the Bank's operation and performance back into orderly SFI, the Bank has set a rehabilitation plan to boost the capital: based on the strategic and business plan for 2015-17, in order to secure adequate capital to support and regain confidence for the Bank's financing growth in the future.

“ Internal Audit ”

Internal Audit is the assurance activity by auditing the effectiveness and efficiency of the internal control, good governance, risk management process and systematic operations of the Bank, including independence and justification in reporting of operating results and giving of advice for added value and improvement of the Bank's operational processes to effectively achieve the prescribed goals and objectives. The internal audit conducted in compliance with International Standards for the Professional Practice of Internal Auditing and the State Enterprise Internal Audit Manual 2012 is divided into six topics as follows:

1) Qualifications of Internal Auditor

- Internal auditors shall have a variety of knowledge and skills, including specialties in other skills, which are necessary to the Bank;
- Internal auditors must be regularly rotated and officers from other units within the Bank must be transferred to perform the auditing work;
- Internal auditors must provide a recruitment plan, an annual training plan to fulfill the competency gap; and, in average, internal auditors must be regularly developed;
- Internal auditors must perform self-development in order to receive the required certifications under the professional standard. At present, internal auditors is one certification, i.e., Certified Public Accountant (CPA).

2) Structure of Internal Audit Department

- The Internal Audit Department must be independent and directly report to the Audit Subcommittee and the President, regarding its operation;
- The Internal Audit Department must have policies relating to disclosure of information or operations to prevent or avoid any impacts on the independence and justification, including any potential conflicts of interest of the internal auditors; whereas, the audit operations shall always be recorded in writing;
- The Internal Audit Department shall be entitled to access data and documents.

3) Relationship with the management

- Internal auditors shall interview and discuss with the top management, the President, and the Audit Subcommittee in regards to the Bank's businesses, risks, and internal control in order to receive opinions regarding the audit planning; in addition, they shall also evaluate the suitability and adequacy of the corporate governance of the Bank whether the Banks has its effective management and achieve its prescribed objectives and goals or not;
- Internal auditors shall liaison and discuss with external regulators, including the Office of the Auditor General of Thailand (the auditor) and the Bank of Thailand regarding the scope and guidelines of the audit in order to prevent duplication of works; in addition, they shall discuss other significant notices or recommendations and shall give answers to the notices or recommendations of the Bank of Thailand and the Office of the Auditor General of Thailand.

4) Duties and Responsibilities

- Internal auditors shall provide regulations, charters, rules, guidelines and manuals for operation of audits in accordance with the State Enterprise Internal Audit Manual and shall review to ensure good under standing with the top management and the Board of Directors of the Bank as well as the personnel who are involved with the internal audit works, the Code of Conducts, and the Performance Standards; in addition, the internal auditors shall disseminate the data from the meetings an on the Intranet;
- Internal auditors shall have the role of audit, emphasizing the audit of all issues about significant risks and impacts on the strategic objectives of the Bank;
- Internal auditors shall responsibilities for prevention of fraud by reviewing and evaluating the adequacy and effectiveness of the internal control, including the risk management of the Bank;
- Internal auditors shall review the business ethics, disclosure of conflicts of interest for employees and executives of the Bank on an annual basis;
- Internal auditors shall organize activities to provide advice, recommendation, and relevant service for the executives and various business units, with the objectives to create added values and enhance the risk management process, control and supervision of the Bank, without taking responsibilities as management



5) Operations and Reporting

Operations

- Internal auditors shall provide Strategic Audit Plan for 2015 – 2019, with systematic risk assessment in accordance with risks, objectives, goals, plans of the Bank and resource; and shall also have the process of resource allocation for operations in accordance with the risks; and shall specify man-days each year;
- The Audit Plan for 2015 shall be related to the Strategic Audit Plan as well as objectives and risks of the Bank, in combination with the audit guidelines under Significant Activity Approach of the Bank of Thailand; whereby, details of the Audit Plan shall be provided according to the risks; in addition, the risk assessment and control shall be provided according to the characteristics of activities in all steps of planning. Meanwhile, the main and supporting activities shall be organized and the flow chart of works and the control points in each step shall be clearly shown; moreover, the activities of coordination and exchange of knowledge as well as giving of advice and recommendations shall be organized and clearly specified proportionally in each characteristics of works;
- Issues about informational technology (IT) audit shall be clearly prescribed in the Audit Plan, which shall accordance with the Bank's objectives and goals, risks and consideration in accordance with the requirements of the management;
- Internal auditors shall evaluate the suitability and adequacy of the resources, guidelines for resource management and budget for the Internal Audit Department, in accordance with the Audit Plan.
- The management shall express opinions in regard to the Strategic Audit Plan, which has been approved by the Audit Subcommittee and the Board of Directors; the management shall also discuss with relevant parties prior to the beginning the audit operation;
- Compliance with recommendations shall be closely monitored and the results of such compliance with the recommendations shall be reported to the Audit Subcommittee, the management, the Board of Directors, and related regulatory bodies.
- Changes and assessment of risks, which are always encountered by the Bank, shall be monitored, and the Bank's Audit Plan shall be reviewed and revised in a timely manner, as necessary and appropriate.

Reporting

- Internal auditors shall provide a standard format of reporting of the audit results as approved by the Audit Subcommittee;
- Internal auditors shall organize a close meeting of joint audit with the auditee and related parties ; and shall report the results of final audit, including suggestions for improvement, to the executives of the auditee, the Audit Subcommittee and the President after such closed meeting of joint audit within the prescribed time;
- Internal auditors shall report the results of monitoring of progress on compliance with recommendations of the Internal Audit Department and the Audit Subcommittee on a regular basis.

6) Maintenance of Quality of Works of Internal Auditors

- Internal auditors shall evaluate the work performance of the audit team and receive opinions of the auditee relating to the work performance at all times after completion of operation; in addition, internal auditors shall continue to improve their performance as per the opinions of the auditee, which shall be used in the measuring of work performance;
- A working group for assessment of the internal audit performance shall be officially established to personally evaluate the quality of audit works and to provide the assessment of the quality of audit works by the outsourced third party; to use the assessment results for analysis and reduction of differences between the actual operations and the Standard of Good Auditing Practice; and to provide an annual strategic plan for enhancement of the audit works in accordance with the results of personal assessment of quality of audit works and with those assessed by the third party;
- Internal auditors shall review and revise rules and regulations manuals and operational framework in conformity with the changing working environment of the Bank, as reviewed and approved by the Audit Subcommittee;
- Internal auditors shall carefully determine guidelines for performance of duties, taking account of adequate awareness of responsibilities for performance of duties as professionals would do; and shall have guidelines for performance of duties, which are clearly explained and shown; and shall also consider and record necessary works to achieve the objectives of audit; and shall disclose significant matters of facts to prevent any misunderstanding in reports or any concealment of legal offences;

Provided that, regarding the compliance with all six topics of the above guidelines, the internal auditors shall take actions under four principles of business ethics, i.e., integrity, justification, confidentiality, and work abilities.



Report of the Audit Subcommittee



In 2015, the Board of Directors of the Islamic Bank of Thailand passed its resolution to appoint the Audit Subcommittee members, as follows:

As per Order No. Gor.019/2557 (Term in office: 21 August 2014 – Present)	
Lieutenant General Natthipong Pueksakorn	Chairman
Mr. Panu Uthairat	Subcommittee
Assoc. Prof. Dr. Pasu Decharin	Subcommittee

The top management of the Internal Audit Department shall act as the Secretary to the Audit Subcommittee. The Audit Subcommittee was appointed on 21 August 2014 and has remained effective since then. The Audit Subcommittee performed its duties as specified in the Charter of the Audit Subcommittee as assigned by the board of Directors of the Bank, which is in conformity of Regulations of the Ministry of Finance on the Audit Committees and the Internal Audit of State Enterprises B.E 2555. In 2015, 12 meetings were convened for considering various agendas, for example, compliance with notices and suggestions of The Internal Audit Department and other Regulators, review and approval of charters, regulations and manuals of The Internal Audit Department, structure of the Internal Audit Department, Audit Plan and Budget, effectiveness of performance of The Internal Audit Department, and etc. The Audit Subcommittee consulted with the Bank's top management in order to consider the drafts of financial report, conflicts of interest, risks, internal control system and follow up the progress of some important issues. In addition, the Audit Subcommittee also arranged meetings with external auditors, i.e., the Office of the Auditor General of Thailand and the Bank of Thailand to consider the internal control system and issues obtained from auditing of both organizations. The performance has regularly been reported to the Bank's Board of Directors; whereas the essences thereof can be summarized, as follows:

Review of Financial Reports:

The Audit Subcommittee reviewed the financial statement after the review of the auditor quarterly and annually with the Internal Audit Department, the auditor, the accounting executives, and Bank's executives. The review was performed for several issues, including accuracy of the financial statement, significance of accounting adjustments, changing of accounting standards, provision, and notes to financial statement, which affect financial statement. The notices and suggestions were also provided to ensure that the Bank's accounting system and the financial reporting were prepared in accordance with the General Accepted Accounting Principles, with sufficient disclosure, completeness and reliability.

Review of Risk Management and Internal Control

Meetings have been convened with top management and executives of the Risk Management Department in order to ensure that all dimensions of risk management were appropriate and efficient under the acceptable level of the Bank.

Furthermore, the internal control system has been reviewed from reports of audit results of the Internal Audit Department, reports of risk management prepared by the Risk Management Department and regulators as well as reports of assessment of the Bank's internal control, internal control self-evaluation forms and internal control evaluation form of the internal auditors as per the Regulations of the State Audit Commission (SAC) to ensure that



the Bank's internal control was suitable and adequate as well determining; moreover, guidelines have been provided for prevention or reduction of risks to be at acceptable levels and not to have any impact on the business operation of the Bank.

Compliance with the Rules

There are processes of monitoring of compliance with the rules of the Bank with executives on significant issues related to management that may affect the Bank's operation to ensure that the Bank complied with laws, regulations, rules and official regulations strictly.

Internal Audit Supervision

Improvement of the internal audit charters and work manual of the Internal Audit Department has been reviewed, agreed and approved in order to consider the appropriateness, scope of work, rights, responsibilities and independence. In addition, the strategic audit plans, consisting of a long-term audit plan, an annual audit plan, an action plan, and a personnel management plan have been approved. Moreover, the sufficiency of resources, annual plans, and annual budget have been also evaluated. The progress of operation has been followed up in accordance with the approved audit plan. To build up the confidence in the Bank's internal audit operation, the quality of the internal audit has been evaluated and the internal auditors have been also supported to develop their knowledge and competency as well as ability to pass the auditing professional examination continuously.

Transactions with Potential Conflicts of Interest and Ethics

The annual report of disclosure of conflicts of interest of employees and ethics has been reviewed to ensure that the operation has not caused any conflicts of interests as defined in the regulations. In addition, it is considered as the Good Governance under the terms of Regulations on Business Ethics of Directors, Managers and Executives of the Bank, to prevent conflicts between personnel and common interest, in accordance with the guidelines of the State Enterprise Policy Office (SEPO).

Self-Assessment of the Audit Subcommittee

The Audit Subcommittee must review and improve the charter of the Audit Subcommittee as well as providing Self-Assessment at least once annually in order to ensure that the operation of the Audit Subcommittee has been performed effectively and successfully as defined in the Guidelines of Quality Maintaining of the Audit Subcommittee in the manual of the Audit Committee in State Enterprise (edited version) 2012 in order to ensure that the operation of the Audit Subcommittee achieves objectives as defined in the charter of the Audit Subcommittee.

Performance Report of the Audit Subcommittee

The Audit Subcommittee must prepare the Performance Report for submitting to the Bank's Board of Director once per quarter, except for the fourth quarter where the Performance Report must be prepared in the form of Annual Performance Report and such report must be submitted to Ministry of Finance within 90 days from the end of the year.

Appointment of the Auditor

The auditor has been nominated and appointed; and the audit fees have also been proposed; whereas, the Office of the Auditor General of Thailand shall act the auditor of the Bank; and such matter has been proposed to the Board of Directors of the Bank for consideration and approval by the Shareholder's Meeting.

The Audit Subcommittee has carefully performed its duties with independence, justification, and accountability, and has expressed its opinions without any limitations as per the principle of good corporate governance.

Lieutenant General



(Natthipong Pueksakorn)

Chairman of the Audit Subcommittee

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Report of the Nomination and Remuneration Subcommittee

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Appointed by the Board of Directors, the Nomination and Remuneration Subcommittee consisted of three members, all of whom do not hold any management positions. The chairman is an independent director. The Nomination and Remuneration Subcommittee is responsible for nominate qualified individuals as the Bank's directors, members of other subcommittees, and top management from the positions of Executive Vice President upwards. In addition, the Subcommittee also determines the remuneration for directors and top management from the positions of Executive Vice President upwards and proposes it to the Board of Directors. In 2015, the Nomination and Remuneration Subcommittee convened one meeting.

The scope of authority and responsibility is as follows:

Nomination

1. To set policies, criteria, and methods for recruitment, selection and nomination of the Bank's directors and subcommittee members for the Board of Directors to consider approving, taking into account of the following aspects:
 - i) Extent and varieties of essential knowledge, skills and experience of the Bank's directors;
 - ii) Types, sizes and components of subcommittees; and recommendations to the Board of Directors relating to appointment of the replacements to fill in vacant positions due to term completion, resignations or any other reasons
2. To determine policies, criteria and methods for recruitment of executives for the positions of Executive Vice President and upwards, except for the position of President
3. To ensure that the Bank has an appropriate succession plan for the position of President and propose such plan to the Board of Directors' approval

Remuneration

1. To propose an appropriate remuneration plan for the Bank's directors to the Board of Directors and subsequently to the Shareholders
2. To suggest appropriate remuneration scales for subcommittee members to the Board of Directors
3. To propose appropriate remuneration plans for executives in the positions of Executive Vice President upwards to the Board of Directors
4. To perform other duties assigned by the Board of Directors

In the past year, the Nomination and Remuneration Subcommittee performed the assigned duties carefully, transparently, and independently. The Subcommittee's performance well accorded with the good corporate governance principles, with the maximum benefits of the Bank and shareholders being taken into account.



(Mr. Dusit Khamasakchai)
Chairman of the Nomination and
Remuneration Subcommittee



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Report of the CG&CSR Subcommittee

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The Islamic Bank of Thailand (IBank) is a state-owned specialized financial institution under the supervision of the Ministry of Finance. IBank offers banking services in compliance with the Shariah banking principles. The CG&CSR Subcommittee takes a key role in setting up operation and management guidelines for the Bank's management and employees, ensuring that their performance complies with good corporate governance principles, ethics, and codes of conducts of the Islamic Bank of Thailand.

In 2015, the CG&CSR Subcommittee approved a number of CG&CSR activities. Major activities included the programs about educating employees on good corporate governance principles through the Bank's Intranet and E-mail systems as well as distributing the information about good corporate governance principles, codes of conducts and ethics of the Islamic Bank of Thailand through the Bank's website. Furthermore, the Subcommittee also established anti-corruption policies to promote awareness on moral and ethical issues in order to ensure that the Bank's operation was fair, transparent and scrutable at all steps; such policies were intended for employees at all levels to follow. Also, the Subcommittee set up the Human Right Operation Plan for Fiscal Year 2015, according the Cabinet's Resolution on the National Human Right Plan No.3 (2014' 2018). The seminar on "Knowledge of Human Right and Reinforcement of Virtue and Morality" was held to promote good CG-based operation. Moreover, the Bank also collaborated with the Office of National Anti-Corruption Commission to organize a program aimed at assessing the extent of morality and transparency in operation. Finally, the Bank also involved in the program to promote e-learning on the topic of "Good Corporate Governance for Public Management"

The aforementioned activities are examples of the CG&CSR Subcommittee's performance, based on the CG&CSR responsibilities assigned by the Board of Directors. The past performance indicated that the Subcommittee achieved all the Bank's objectives under the ongoing rehabilitation plan.

For the next years, the CG&CSR Subcommittee has predetermined the Bank's CG&CSR operation framework, with the corporate governance principle of the Bank of Thailand being added. In light of this, the criteria for assessment of the qualifications of senior directors and management were included in order to meet international standards in the long term. As such, senior directors and management must possess qualifications as specified in the criteria of the Bank of Thailand. This practice shall help to strengthen the Bank's operation and enable the Bank's management to remain independent and follow the set policies without any political intervention.



(Mr. Panu Uthairat)
Chairman of the CG&CSR Subcommittee

“ Corporate Social Responsibility and Public Relations ”



1. Monarchy Glorification

IBank, as a major sponsor of Thailand Mawlid H.E. 1436 to pay respect to the Prophet Muhammad

..Leader for development of “Halal” quality and Creator of “science” foundation..

HRH Crown Prince Maha Vajiralongkorn presided over the opening of Thailand Mawlid Cerebration H.E. 1436 on 8 March 2015. In this event, IBank presented His Royal Highness with donation fund and the Bank was granted honorable fame, as a regular sponsor of Thailand Mawlid Cerebration.

The event was aimed at showing respect to the Prophet Muhammad by publicizing his biography and his excellent works, especially in the fields of sciences, technology, medicine, and nutrition. This year the Cerebration's slogan was “Prophet Muhammad: Leader for development of “Halal” quality and Creator of “science” foundation. On 9 March 2015, the Prime Minister presided over the closing ceremony of Thailand Mawlid H.E. 1436, with the presence of the the Sheikhu Islam, Minister of Culture, Chairman of the Board of Directors of the Islamic Bank of Thailand, Secretary General of Southern Border Provinces Administration Centre, the Bank's directors, representatives from state agencies, the Central Islamic Council of Thailand, Provincial Islamic Committee and religious leaders, at the Office of Islamic Affairs Committee, Klong Kao.



2. Society

The 3rd “Learning on Islamic Bank for Stronger Muslim Community ” in Phang-nga

Islamic Bank of Thailand organized an opening ceremony of “Historical Signage of Panyi Village” under the program called the 3rd “Learning on Islamic Bank for Strong Muslim Community”, at the Masjid community on Panyi Island. The activity was aimed at supporting the development of the Muslim society and community, strengthening the Muslim community as well as tightening relationship amongst the locals in the community. Highlight of the program, IBank offered financial support for establishment of the village name signage as well as direction signage at all 12 points across Panyi Island. The signage were designed to provide travel information and facilitate traveling around the island for Muslim travelers and general passersby around Panyi Island. The activity was one of IBank’s CSR activities aimed at developing communities and enhancing the potential of Panyi Island to promote tourism and attract both foreign and Thai tourists in the long term. The activity was held on 30 May 2015.



The 2nd Seminar “ IBank leading Thai Halal to the World market” in Bangkok.

Islamic Bank of Thailand organized the 2nd seminar with the objective to enhance Halal entrepreneurs to access a funding source and to educate participants on the importance, opportunities and process about Halal certification. The seminar helped to facilitate the application of Halal certification, more convenient and fast process. A Halal logo guarantee the product's standard and quality comply with Islamic under the principles. In addition, the seminar also included knowledge on marketing and packaging in order to expand markets for Halal products. The event was successful, with total 67 participants from Bangkok and Greater Bangkok, the east, and the north east. In the seminar, the participants had an opportunity to exchange knowledge, join work shops, present their products, share experience in Halal business, and create business network. The event was held at the Chaopraya Park Hotel, Bangkok, on 8-9 June 2015.



IBank's support of Thai Halal business towards AEC markets in the event "Thai Halal Product Fair"

Islamic Bank of Thailand, in collaboration with the state and private sectors, supported the program "Thai Halal Product Fair". The event was presided over by Minister of Industry, accompanied by Thai Ambassador to Bandar Seri Begawan. The Minister and the Ambassador visited the booth of Halal entrepreneurs and IBank. The event was held at Times Square Department Store, Brunei Darussalam on 4-6 September 2015.



Presentation of Tadika Nurul Huda Building, Ban Ba Loh, Saiburi, Pattani

Islamic Bank of Thailand presented Tadika building Nuru Huda at Ban Ba Lo. under the Construction Project for Human Resources Development Center for Royal Honor. The building was aimed to use as a training center and the project was aimed to honor His Majesty the King's royal duties and to organize an activity in memory of Mr. Vadeng Putek, "the Companion of Saiburi". The event was joined by young participants who arranged for a number of activities. OTOP products were also available for sale in the event, which was organized at Tadika Nuru Huda Building, Ban Ba Loh, the Construction Project for Human Resources Development Center Honor for Royal Honor, Saiburi Sub-district, Patani Province



“Muslim Day”

In 2015, Islamic Bank of Thailand continued to organize “Muslim Day” activities throughout the month in response to the Bank’s rehabilitation and business plans for 2015–17. In light of these, the Bank visited Muslim communities to promote our products and seek opinions from each community so that the Bank can improve our service as well as financial products in compliance with the Shariah principles. In addition, the activities, which were held continuously throughout 2015, also helped the Bank to maintain our client base and attract new clients.



3. Education

IBank’s donation of Zakat proceeds as scholarships for the youths in three southernmost provinces

Islamic Bank of Thailand joined the event “Enhancing Village Funds to Bring Opportunities and Happiness to Southernmost Villages and Communities”. The Bank organized the event, with an objective to grant happiness among villages, in response to the government’s policy, and to support the Village Fund Development in Muslim villages. In the event, IBank educated information about accurate financial transaction and investment under the Shariah principles. In light of this, the Bank presented financial information guidelines under the Islamic rules to Thailand Village Fund Portal and granted prizes under the marketing campaign for Al-Hajj deposit accounts to sponsor participants of Hajj pilgrimage. In the same event, the Bank also donated proceeds from the Zakat Fund as scholarships for students at three southernmost provinces (whose parents were members of Muslim Village Fund) for the total of 20 scholarships, amounting to Baht 100,000. The event was held at CS Patani Hotel during 10–11 June 2015.



4. Religion and Culture

Courtesy call on religious leaders in Songkhla and visiting CSR Project for Muslim Communities

The Chairman, accompanied by top management, of Islamic Bank of Thailand, paid courtesy a visit to the chairman and members of Islamic Committee of Songkhla, the director of the Southern Co-ordination Center for Sheikhul Islam Office, and Imam of Ban Nue, to seek their advice in regard to the IBank's services. The visit was aimed to broaden the Bank's coverage on Muslim clients in the south. In addition, the delegation also visited "Leaning on Islamic Bank for Strong Muslim Community" Project No. 2 (Ban Nue Mosque, Songkhla), which was the Bank's continuing activity for Muslim society. The activity was held in Songkhla on 3 February 2015.



Blessing to participants of Hajj pilgrimage in 2015

IBank participated in the blessing event for the first flight for "Participants of Hajj pilgrimage to Mecca in 2015". The event was joined by the Sheikhul Islam, members of Provincial Islamic Committees, representatives from security agencies and state agencies and over 20,000 involved people. According to the event, two chartered flights, directly from Narathiwat Airport to Madinah Airport, were arranged, with 289 passengers each flight. The Bank offered 16,800 bottles of water to the participants. Management and representatives from lower southern offices also participated in this special occasion at Narathiwat Airport on 16 August 2015.

In Bangkok, the blessing event at Suvarnabhumi International Airport was joined by Minister of Culture, Director and Acting President of Islamic Bank of Thailand, a representative of the Sheikhul Islam Office, the chief of consul of Saudi Arabia Embassy in Bangkok and representatives from relevant agencies. Similar to the past years, Ibank provided complimentary snacks and drinks at Suvarnavhumi International Airport on 19 August 2015.



Ramadan Relation Program in 2015

IBank is the state owned financial institution that serves financial demand for Muslim clients under the Shariah principles. In the Ramadan month last year, the Bank organized “Ramadan Relation” event, which had continued every year. The objective of the program was to encourage people to do good deeds and act as givers during the holy month. The Bank allocated budget for donations in a number of forms to nearby communities. The activity provided a good opportunity for the Bank to tighten relationship with communities. The Bank hosted meals for breaking the fast to Muslims in Bangkok, Songkhla, Yala, Patani and Narathiwat. Budgets were also allocated to branches for breaking-the-fast activities and date palms were gifted to Muslims throughout June and July 2015.





“ Bank information ”

As of December 31st ,2015

The Bank's capital stock was 10,276,825,862 shares or calculated to be the total registered capital of 102,768,258,620 Baht. The proportion of Bank's shareholders as of December 31st ,2015 as follows: The proportion of the Bank's shareholders as of December 31st ,2015 as follows:

No.	List of Shareholders	Quantity(Shares)	Ratio (%)
1	Ministry of Finance	4,988,334,910	48.540
2	Government Savings Bank	4,091,533,440	39.813
3	Krungthai Bank Public Company Limited	1,010,208,044	9.830
4	Miss Suyanee Suwannayos	50,833,674	0.495
5	MFC Asset Management Public Company Limited	40,753,015	0.397
6	Mrs. Rahmah Moonsap	10,000,000	0.097
7	SMEs Venture Capital Fund	7,500,000	0.073
8	CIMB Thai Bank Public Company Limited	6,000,000	0.058
9	Mrs. Jiraporn Boonmalert	6,000,000	0.058
10	Thailand Prosperity Fund	5,226,500	0.051
	Government Pension Fund	5,226,500	0.051
11	Other shareholders	55,209,779	0.537
Total		10,276,825,862	100.00

Executives

Name	Position	Subordination
MR. MONTCHAI RATANASTIEN	Director and Acting President Acting Senior Executive Vice President	Corporate and SMEs Banking Division
DR. KUNCHIT SINGSUWAN	Acting Senior Executive Vice President	Business Support Division
DR. RAK VORRAKITPOKATORN	Senior Executive Vice President	Retail Banking Division
	Acting Senior Executive Vice President	Branch Banking Group
MS. ARSRA ANGKARIA	Executive Vice President	Social and Economic Development Group
	Acting Executive Vice President	Technology and Electronic Operation Group
MRS. SLEEPORN NETRABOOKANA	Executive Vice President	Finance Group
	Acting Executive Vice President	Credit Operation Group
	Acting Senior Executive Vice President	Business Support Division
MR. MANOCH DANGKOMEN	Executive Vice President	Administration and Human Resource Group
	Acting Executive Vice President	Human Resources Management Department
MR. PAPARN ARYA	Executive Vice President	SMEs Banking Group
	Acting Executive Vice President	Corporate Banking Group
MS. PANNEE CHOEDRUM-PHAI	Executive Vice President	Compliance and Review Group
Pol.Capt. POOMIN PEONGSUJARIT	Executive Vice President	Bank Transformation Project Special Group
MRS. NUCHJAREE PAKDEJAREARN	Executive Vice President	Corporate Strategy Department
MS. SUNSANEE METHISARIYAPONG	Senior Vice President	Treasury Department
MR. SURAPHON JARIYARANGSIRATTANA	Senior Vice President	Collateral Appraisal Department
MS. TUANSALEENA KUBAHA	Senior Vice President	Investment Banking Department
MS. RADKLAO SITTIJANYAWAN	Senior Vice President	Cheque Collection and Money Transfer Department
MR. NIUM KANPROM	Senior Vice President	Risk Management Department
MR. SUWIT CHANACHOL	Senior Vice President	Credit Review Department
MR. SURACHAI JANABOON	Senior Vice President	Retail Collection and Debt Restructuring Department
MRS. WIMONPHAN RANGPONSUMRIT	Senior Vice President	Human Resources Development Department
MR. ZATI SANKHAVANIJA	Senior Vice President	Retail Business Analysis Department
	Acting Executive Vice President	Retail Banking Group
MR. MONTRI AROON	Acting Executive Vice President	Specialist Office
MR. PONGSIRI PHUNSAWAS	Senior Vice President	Upper Southern Region Office
	Acting Vice President	Lower Southern Region Office
MR. PRACHOB PRATHEEPSAWANGWONG	Senior Vice President	Northern Region Office
MR. BUNCHAI NAWACHAINDAPHAN	Senior Vice President	Lower Southern Region Office
MS. RUJIRA YOTHASMUTR	Senior Vice President	Procurement Department
MS. CHITTRA SORHASAN	Vice President	Deposit and Fee Department
	Acting Vice President	Metropolitan, Central, and Eastern Region Office
MR. BODIN ADULPHAKDEE	Vice President	Hajj and Umrah Department
MRS. SAVITREE CHATUPORNKANACH	Vice President	Finance Department
MRS. SUWANNA SUTAKAN	Vice President	Credit Operations Department



Name	Position	Subordination
MR. THAWEEWAT KANTARIYOH	Vice President	Credit Operations Department
DR. CHATCHAWAN NIYOMWITTAYANONT	Vice President	Shariah Department
MR. UKKACHON SAENGSOOK	Vice President	SMEs Business 1 Department
	Acting Vice President	SMEs Business 2 Department
MRS. NATTANANT THAMANIJAKUL	Vice President	Compliance and Rules Department
MR. TEERA YEEGOB	Vice President	Branch Administration Department
	Acting Vice President	Communication and Corporate Image Department
MR. VICHIT MEKASAWAT	Vice President	Micro Finance Department
LT. SURAKAMPON ADULYARAT	Vice President	Social Economic Development in 5 Southern Provinces Department
DR. KLANJAI JUISIRI	Vice President	Company Secretary Department
MR. KITT KRAIWE	Vice President	Credit Risk Management Department
MS.PORNNAPA PADUNGKIATTIWONG	Vice President	Company Secretary Department
MR. BANTHOON WONGBANTHOON	Vice President	Administrative Department
MR. CHIRASAK VISHAIGOOL	Vice President	Government Policy Department
MR.BORIPAT PATTARAPRADIT	Vice President	Internal Audit Department
MRS.CHAROENRUCH TAVORNSAK	Vice President	Credit Contract Operations Department
MR. CHARNWIT TRANGPANICH	Vice President	Legal Department
DR. PAKORN PRECHAPORN	Vice President	Corporate Business Analysis Department
	Acting Vice President	Corporate Business Department
MRS.SURADA PHOOKPHUNTH	Vice President	SMEs Business 3 Department
DR. ABIDEAN WANKHWAN	Vice President	Shariah Product Department
MR.YOSWARIS CHANCHAROENSUK	Vice President	Accounting Department
MR. VUTTIPHAN PRIDIPHAN	Vice President	Corporate and SMEs Debt Restructuring Department
MR. KANACHAI WIWATWITHAYA	Vice President	Credit Process Improvement Project Special Group
MR. SURAT SUKNATE	Vice President	IT Operation and Service Department
MR. KRISADA KITTIPORNPAIBOON	Vice President	Retail Financing Project Department
MR. MONGKHON MAKSAEREEKUN	Vice President	Sustainable Organization Development Office
MR. KHAJOHNSAK ARGEPHUL	Vice President	Anti Fraud Office
MR. RAWIN KRAITRUDPHON	Vice President	North Eastern Region Office
MR.SUPHACHOK WANICHAKORNKUL	Deputy Vice President	IT Development and Management Department
	Acting Vice President	IT Development and Management Department
MS.SUKWASA JIRAPORNTHITA	Deputy Vice President	Alliance Business Management Department
	Acting Vice President	Alliance Business Management Department
MRS.PORNTIP WICHITAPA	Deputy Vice President	Retail Financing Department
	Acting Vice President	Retail Financing Department
MR.BUNTOON UTHAIWAT	Deputy Vice President	SMEs Business Analysis Department
	Acting Vice President	SMEs Business Analysis Department
MR.ANUPONG CHAVENGKIATTIKUL	Deputy Vice President	Investment and International Business Department
	Acting Vice President	Investment and International Business Department
MRS.CHARIYA PANISHKAN	Deputy Vice President	Metropolitan, Central, and Eastern Region Office
	Acting Vice President	Metropolitan, Central, and Eastern Region Office

List of Bank's Branches

No.	Branches	Telephone	Fax	Address
2 Offices 38 Branches of Bangkok Metropolitan Central and Eastern Region				
1	Klong Tan Office	02-729-8805	02-729-8806	No.9, UM Building Tower, M Floor, Ramkhamhaeng Road, Suan Luang District, Bangkok 10250
2	Asoke Office	02-260-1751-4	02-260-1750	No.66, Q House Asoke Building, G Floor, Sukhumvit 21 Road, Khlong Toei Nuea Sub-district, Vadhana District, Bangkok 10110
8 Branches of Thon Buri District Office				
3	Thung Khru	02-873-6803-5	02-873-6809	No.32/424-425, Pracha-uthit Road, Thung Khru Sub-district, Thung Khru District, Bangkok 10140
4	Southern Bus Terminal	02-422-3935-8	02-422-3939	SC Plaza Building, G Floor, Room No. GN09-GN10, No. 24/6, Chimplee Sub-district, Taling Chan District, Bangkok 10170
5	Prachuap Khirikhan	032-603-145 032-603-148 032-604-868-9	032-604-223	No. 117/1-2, Salachep Road, Prachuap Khirikhan Sub-district, Mueang District, Prachuap Khirikhan 77000
6	The Mall Bang Khae	02-454-5163 02-454-5178 02-454-5185 02-454-5205	02-454-5233	3 rd Floor, Room No. 3S-L6-L9, The Mall, Bang Khae Department, No. 518, Phetkasem Road, Bang Khae Nuea Sub-District, Bang Khae District, Bangkok 10160
7	Seeyae Thotsakan	02-410-3235-8	02-410-3239	2 nd Floor, Room DD1-DD2, No. 54/54, Village No. 7, Phutthamonthon Sai 2 Road, Bang Phai Sub-district, Bang Khae District, Bangkok 10160
8	Samut Sakhon	034-423-730-3	034-423-734	No.927/408, Setthakit 1 Road, Mahachai Sub-district, Mueang Samut Sakhon District, Samut Sakhon 74000
9	Hua Hin	032-522-410-1 032-522-448-9	032-522-450	No.4/19, Phetkasem Road, Hua Hin Sub-district, Hua Hin District, Prachuap Khirikhan 77110
10	Phetchaburi	032-414-090-3	032-414-094	No.107, Surinruechai Road, Tharab Sub-district, Mueang District, Phetchaburi 76000
7 Branches of Sathon District Office				
11	Sathon	02-286-8921-4	02-286-8925	No.6/10, G Floor, Pipatanasin Building, Naradhiwas Rajanagarindra Road, Thung Maha Mek Sub-District, Sathorn District, Bangkok 10120
12	Paradise Park	02-787-1731-4	02-787-1735	2 nd Floor, Room No. 2C005, Paradise Park Shopping Center, Park No. 61 Srinakarin Road, Nong Bon Sub-District, Prawet District, Bangkok 10250
13	Pratunam	02-208-0919-22	02-208-0923	No. 120/69, Ratchaprarop Road, Phaya Thai Sub-district, Ratchathewi District, Bangkok 10400
14	Silom	02-236-9404-7	02-236-9408	Room No. 201-202, 2nd Floor, Thaniya Plaza BTS Wing Building, No. 62, Silom Road Suriyawong Sub-district, Bangrak District, Bangkok 10500
15	Central Plaza Rama 3	02-164-0061-4	02-164-0065	3 rd Floor, Room No. 307, Central Plaza, Rama 3, No. 79, Sathu Pradit Road Chong Nonsi Sub-district, Yannawa District, Bangkok 10120
16	The Nine Rama 9	02-318-4156-8 02-318-4926	02-318-4927	1 st Floor, Room No. F01B01000-F01B02000, B Building, The Nine Rama 9, 999/2 Rama 9 Road, Suan Luang Sub-District, Suan Luang District, Bangkok 10250
17	Town in Town	02-148-1036-9	02-148-1040	B1 Building, Room 101, Tonsoong Avenue, No. 226, Praditmanutham Road Phlabphla Sub-district, Wang Thong Lang District, Bangkok 10230



7 Branches of Minburi District Office				
18	The Mall Bang Kapi	02-734-1905-9	02-734-1904	2 nd Floor, Room No. 2S-L3C, The Mall Bang Kapi, No. 3522, Lat Phrao Road, Khlong Chan Sub-district, Bang Kapi District, Bangkok 10230
19	Suvarnabhumi	02-134-6500-01	02-134-6502	2 nd Floor, Room No.2.46, Passenger Terminal Building, Suvarnabhumi Airport, No. 999, Village No.1 Nongprue Sub-District, Bangphli District, Samut Prakan 10540
20	Thanon Nawamin	02-509-4782-5	02-509-4786	No. 4/1483-1486, Village No. 7, Nawamin Road, Khlong Khum Sub-district, Bueng Kum District, Bangkok 10240
21	Talad Ying Charoen	02-521-9627-30	02-521-9631	AF Building, No. 651, Phahonyothin Road, Anusawari Sub-district, Bang Khen District, Bangkok 10220
22	Thanon Ramkhamhaeng 87	02-736-3831-4	02-736-3835	No. 847, Ramkhamhaeng Road, Hua Mark Sub-district, Bang Kapi District, Bangkok 10240
23	Min Buri	02-517-9655-7	02-517-9658	444, Village No. 8, Seethaburanukit Road, Min Buri Sub-district, Min Buri District, Bangkok 10510
24	Fashion Island	02-508-3818-21	02-508-3822	B Floor, Room No. B004A, Fashion Island, No. 587, 589, Ram-intra Road, Khannayao Sub-district, Khannayao District, Bangkok 10230

9 Branches of Nonthaburi District Office				
25	Phra Nakhon Si Ayutthaya	035-345-346 035-345-486	035-345-487	1 st Floor, Room No. GP-06-07, Ayutthaya Park, No. 126, Village No. 3, Asia Highway, Khlong Suan Phlu Sub-district, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya 13000
26	The Government Complex Commemorating	02-143-8781-3	02-143-8784	No. 120, B Building, 1st Floor, Village No. 3, Chaeng Watthana Road, Thung Song Hong Sub-district, Lak Si District, Bangkok 10210
27	Nonthaburi	02-526-6101-2 02-526-6163-4	02-526-6173	No. 77/71-72, Village No. 4, Pracharat Road, Suan Yai Sub-district, Mueang District, Nonthaburi 11000
28	Bang Phlat	02-424-5099-102	02-424-5103	Room No. 678, 680, Meeting Mall, Charansanitwong Road, Bang O Sub-district, Bang Phlat District, Bangkok 10700
29	Suphanburi	035-525-872-5	035-525-876	No.24/2-3, Muenhan Road, Tha Philiang Sub-district, Mueang Suphanburi District, Suphanburi 72000
30	Nakhon Pathom	034-271-904-7	034-271-908	No.100-102, Rajvithee Road, Phra Pathom Chedi Sub-district, Mueang Nakhon Pathom District, Nakhon Pathom 73000
31	Ratchaburi	032-332-375-8	032-332-379	No.295-297, Kraipetch Road, Na Mueang Sub-district, Mueang Ratchaburi District, Ratchaburi 70000
32	Kanchanaburi	034-671-520-3	034-671-524	No.218/13, Sangchuto Road, Ban Nuea Sub-district, Mueang Kanchanaburi District, Kanchanaburi 71000
33	Pathum Thani	02-593-4070-2	02-593-4073	No.27/17-19, Pathum Sampan Road, Bang Prok Sub-district, Mueang District, Pathum Thani 12000

7 Branches of Chon Buri District Office				
34	Nong Chok	02-548-3100-3	02-548-3104	No.67, Village No. 2, Choemsamphan Road, Krathumrai Sub-district, Nong Chok District, Bangkok 10530
35	Chachoengsao	038-518-585-8	038-518-589	No. 217/39-40, Mahacharkkaphat Road, Na Mueang Sub-district, Mueang District, Chachoengsao 24000
36	Bang Saen	038-745-118-20	038-745-264	No. 177, Long Hat Bang Saen Road, Saen Suk Sub-district, Mueang District, Chon Buri 20130
37	Rayong	038-610-412-5	038-610-416	No. 292/2-3, Sukhumvit Road, Choeng Noen Sub-district, Mueang District, Rayong 21000
38	Chanthaburi	039-328-893-5	039-328-897	No.84/24, Tha Chalab Road, Talat Sub-district, Mueang Chanthaburi District, Chanthaburi 22000
39	Thanon Sri Nakarin	02-320-3361-3	02-320-3364	No.1170,1172, Sri Nakarin Road, Suan Luang Sub-district, Suan Luang District, Bangkok 10250
40	Pattaya	038-488-414-6	038-488-417	No.597/3, South Pattaya Road, Nong Prue Sub-district, Bang Lamung District, Chon Buri 20260

17 Branches of North Office

10 branches of Chiang Mai District Office

41	Thanon Chang Phueak Chiang Mai	053-287-214-7	053-287-218	No. 141/1, Chang Phueak Road, Sriphum Sub-district, Mueang District, Chiang Mai 50200
42	Central Airport Chiang Mai	053-277-259 053-277-024-5 053-277-286	053-277-287	Room No. F-01, 3rd Floor, Central Plaza Chiang Mai Airport, No. 2, Mahidol Road, Hai Ya Sub-District, Mueang District, Chiang Mai 50100
43	Mae Sai	053-734-361-3 053-734-535	053-732-515	No. 694/1, Village No. 3, Phahonyothin Road, Wiang Phangkham Sub-district, Mae Sai District, Chiang Rai 57130
44	Hang Dong Chiang Mai	053-431-229-32	053-431-233	Kadfarang Shopping Plaza, No. 225/242, Village No. 13, Chiang Mai – Hod Road, Ban Wen Sub-District, Hang Dong District, Chiang Mai 50230
45	Sanpakhoi Chiang Mai	053-246-597-600	053-246-601	No. 89, 91, 93, Charoen Mueang Road, Wat Ket Sub-district, Mueang District, Chiang Mai 50000
46	Lamphun	053-510-185-7 053-510-194	053-510-195	No.23, Inthayongyot Road, Nai Mueang Sub-district, Mueang Lamphun District, Lamphun 51000
47	Phayao	054-432-191-4	054-432-195	No.474/3-4, Phahonyothin Road, Wiang Sub-district, Mueang Phayao District, Phayao 56000
48	Lampang	054-222-996	054-222-995	No.92-98 Bunwat Rd., Suan Dok Sub-District, Mueang District, Lampang 52100
49	Chiang Mai	053-283-265-6	053-270-718	No.125 Chang Khlan Rd., Chang Khlan Sub-District, Mueang District, Chiang Mai 50200
50	Chiang Rai	053-748-883-5	053-748-886	No.808/8 Paholyothin Rd., Wiang Sub-District, Mueang District, Chiang Rai 57000

7 branches of Phitsanulok District Office

51	Tak	055-515-880-3	055-515-884	No. 518-520, Taksin Rd., Nong Luang Sub-district, Mueang District, Tak 63000
52	Mae Sot	055-533-636 055-533-639 055-533-643 055-533-646	055-533-649	No. 620/2-3, Intarakiri Road, Mae Sot Sub-district, Mae Sot District, Tak 63110
53	Nakhon Sawan	056-372-367-70	056-372-371	No. 1016/4-5, Village No.9, Asia Road, Nakhon Sawan Tok Sub-district, Mueang District, Nakhon Sawan 60000
54	Phichit	056-613-746-9	056-613-750	No. 8/206-207, Srimala Road., Nai Mueang Sub-district, Mueang Phichit District, Phichit 66000
55	Sukhothai	055-610-311-3 055-610-319	055-610-320	No.5, Rat-uthit Road, Thani Sub-district, Mueang Sukhothai District, Sukhothai 64000
56	Uttaradit	055-407-444-5 055-407-447-8	055-407-577	No.202-8/9, Boroma-at Road, Tha-it Sub-district, Mueang Uttaradit District, Uttaradit 53000
57	Phitsanulok	055-242-712-3	055-242-443	No.87/24, Akathotsarot Road, Nai Mueang Sub-district, Mueang District, Phitsanulok 65000

12 branches of North Eastern Office

6 branches of Khon Kaen District Office

58	The Mall Nakhon Ratchasima	044-393-461-4	044-393-465	3 rd Floor, Room No. 3S-22A, B, The Mall Nakhon Ratchasima, No. 1242/2, Mittraphap Road, Nai Mueang Sub-District, Mueang District, Nakhon Ratchasima 30000
59	UD Town (Udon Thani)	042-932-990-3	042-932-994	1 st Floor, Room No. H22-H23, UD Town Building, No. 99/9, Tong Yai Road, Mak Kaeng Sub-district, Mueang District, Udon Thani 41000
60	Sakon Nakhon	042-716-723-6	042-717-188	No.1755/8-9, Ratpattana Road, Thatchoengchum Sub-district, Mueang Sakon Nakhon District, Sakon Nakhon 47000
61	Maha Sarakham	043-711-587 043-711-645 043-711-667	043-711-687	No.453/2-3, Nakhon Sawan Road, Talat Sub-district, Mueang Maha Sarakham District, Maha Sarakham 44000
62	Kalasin	043-816-913-6	043-816-606	No.93-95, Phirom Road, Kalasin Sub-district, Mueang Kalasin District, Kalasin 46000
63	Khon Kaen	043-246-824-7	043-246-828	No.77/3, Klang Mueang Road, Nai Mueang Sub-district, Mueang District, Khon Kaen 40000



6 branches of Ubon Ratchathani District Office

64	Roi Et	043-515-881-4	043-515-886	No.206/1-2, Phloenchit Road, Nai Mueang Sub-district, Mueang Roi Et District, Roi Et 45000
65	Yasothon	045-711-252 045-711-265 045-711-276 045-711-297	045-711-367	No.230/3-5, Chaeng Sanit Road, Nai Mueang Sub-district, Mueang Yasothon District, Yasothon 35000
66	Si Sa Ket	045-643-981-4	045-643-985	No.1104-5, Khukhan Road, Mueang Tai Sub-district, Mueang Si Sa Ket District, Si Sa Ket 33000
67	Ubon Ratchathani	045-316-967-70	045-316-971	No.479/1-2, Chayangkun Road, Nai Mueang Sub-district, Mueang Ubon Ratchathani District, Ubon Ratchathani 34000
68	Buri Ram	044-602-526-9	044-602-530	No.396-7, Thani Road, Nai Mueang Sub-district, Mueang District, Buri Ram 31000
69	Surin	044-515-812, 814,815,817	044-515-819	No.73, 75, Chitbunrung Road, Nai Mueang Sub-district, Mueang Surin District, Surin 32000

11 Branches of Upper Southern part Office

5 Branches of Phuket District Office

70	Ranong	077-825-264 077-825-393	077-825-394	No. 75-77, Ruangrat Road, Khao Niwet Sub-district, Mueang District, Ranong 85000
71	Phang-nga	076-414-422-25	076-414-426	1 st Floor, NK. Shopping Mall, No. 2, Phetkasem Road, Thai Chang Sub-district, Mueang District, Phang-nga 82000
72	Tesco Lotus Thalang	076-311-705-8	076-311-709	G Floor, Room No. 116, Tesco Lotus Thalang, No. 303, Village No. 1 Thepkasattri Road, Thepkasattri Sub-district, Thalang District, Phuket 83110
73	Krabi	075-624-040-3	075-624-044	No.94, 94/1, Maharat Road, Pak Nam Sub-district, Mueang District, Krabi 81000
74	Phuket	076-214-053-4	076-214-055	No.5, 7, Yaowarat Road, Talat Nuea Sub-district, Mueang District, Phuket 83000

6 branches of Surat Thani District Office

75	Surat Thani	077-206-057-60	077-206-061	No.103/1, Na Mueang Road, Talat Sub-district, Mueang District, Surat Thani 84000
76	Nakhon Sri Thammarat	075-357-350-3	075-357-354	No.1664, Ratchadamnoen Road, Tha Wang Sub-district, Mueang District, Nakhon Si Thammarat 80000
77	Koh Samui	077-447-845-8	077-447-849	No. 80, Village No. 6, Bo Phut Sub-district, Ko Samui District, Surat Thani 84320
78	Thung Song Nakhon Sri Thammarat	075-412-540 075-412-567 075-423-885-6	075-423-993	No.41, Chaichumpon Road, Pak Phraek Sub-district, Thung Song District, Nakhon Si Thammarat 80110
79	Chumphon	077-503-395-6	077-511-062	No.56/1, Poraminmakkha Road, Tha Tapao Sub-district, Mueang District, Chumphon 86000
80	Thanon Chon Kasem Surat Thani	077-203-994-7	077-203-998	No.545 Chon Kasem Road, Talad Sub-District, Mueang Surat Thani District, Surat Thani 84000

28 Branches of Lower Southern Part Office

8 Branches of Song Khla District Office

81	Trang	075-590-459-60 075-590-463 075-590-465	075-590-473	No.52/1-2, Wisetkul 11 Alley, Ratsada Road, Thapthiang Sub-district, Mueang District, Trang 92000
82	Thanon Niphat Uthit 1 Hat Yai	074-225-110 074-225-130 074-225-140-41	074-225-255	No. 151-157, Niphat Uthit 1 Road, Hat Yai Sub-district, Hat Yai District, Song Khla 90110

83	Maekhri Phatthalung	074-695-554 074-695-475 074-695-712 074-695-655	074-695-856	No. 175, Village No. 1, Anukul Road, Mae Khri Sub-district, Tamot District, Phatthalung 93160
84	La-ngu	074-783-904-7	074-783-908	No.149, Village No. 5, La-ngu – Pakbara Road, La-ngu Sub-district, La-ngu District, Satun 91110
85	Song Khla	074-558-259-61	074-558-265	No.81/78, Village No. 2, Kanchanawanit Road, Khao Rubchang Sub-district, Mueang District, Song Khla 90000
86	Chana	074-207-121-5	074-207-122	No.8/4-5 Jana - Nathawi Road, Ban Na Sub-district ,Chana District, Song Khla 90130
87	Satun	074-725-039-42	074-725-043	No.287/6, Village No. 7, Yontrakan Kamthon Road, Khlong Khut Sub-district, Mueang District, Satun 91000
88	Hat Yai	074-237-392	074-237-515	No.2/1-2, Hat Yai City Alley, Thammanunwithi Road, Hat Yai District ,Song Khla 90110

7 Branches of Pattani District Office

89	Big C Pattani	073-337-812	073-337-816	G-In Floor , Room No.GCR116, Big C Pattani , No.301, Village No. 4, Rusamilae Sub-district, Mueang Pattani District Pattani 94000
90	Palat Pattani	073-485-160 073-485-327 073-485-399 073-485-414	073-485-514	No. 122/11-12, Village No. 5, Phetkasem (Pattani – Narathiwat) Road, La-Nga Sub-district, Mayo District, Pattani 94190
91	Yarang Pattani	073-439-491-4	073-439-495	No. 1/7, Village No. 2, Pattani – Yala Road, Pitumudi Sub-district, Yarang District, Pattani 94160
92	Khokpho Pattani	073-431-040 073-431-284 073-431-218 073-431-709	073-431-883	No.170/10, Village No. 7, Naket – Khokpho Road, Khokpho Sub-district, Khokpho District Pattani 94120
93	Saiburi Pattani	073-411-163 073-411-059 073-411-060 073-411-296	073-411-310	No. 23/1-2, Suriya Road, Taluban Sub-district, Saiburi District, Pattani 94110
94	Pattani	073-323-465-8 073-337-084 073-341-119	073-323-469	No.20,22,24, Na Kluea Road, Mueang District, Pattani 94000
95	Jabangtigor Pattani	073-311-820-3	073-311-879	No.49/9-12, Kalapor Road, Jabangtigor Sub-district, Mueang District, Pattani 94000

6 branches of Yala District Office

96	Thanon Phumacheep Yala 2	073-223-690-3	073-223-694	No. 24-26, Phumacheep Road, Sateng Sub-district, Mueang Yala District, Yala 95000
97	Betong	073-235-131-4	073-235-134	No. 130/1, Sukyang Rong, Betong Sub-district, Betong District, Yala 95110
98	Raman Yala	073-295-041-44 073-581-974-75	073-295-045	No. 100-102, Village No. 1, Mueang Raman Road, Kayubokoh Sub-district, Raman District, Yala 95140
99	Bannang Sata Yala	073-289-282-5	073-289-286	No. 200, 202, Village No. 2, Sukyang Road, Bannangsata Sub-district, Bannangsata District, Yala 95130
100	Yaha Yala	073-291-463-6	073-291-467	No. 4/3, Pitakthani Road, Yaha Sub-district, Yaha District, Yala 95120
101	Yala	073-247-140-3	073-247-144	No.59, Phiphitphakdee Road, Sataeng Sub-district, Mueang District, Yala 95000



7 Branches of Narathiwat District Office

102	Tanyongmat	073-671-858-61	073-671-862	No. 46, Thetsaban 3 Road, Tanyongmat Sub-district, Ra-ngae District, Narathiwat 96130
103	Su-ngai Kolok Narathiwat	073-614-561-4	073-614-565	No.36, Butsayaphan Road, Su-ngai Kolok Sub-district, Su-ngai Kolok District, Narathiwat 96120
104	Takbai Narathiwat	073-581-971-72	073-581-977	No. 62/21, Village No. 4, Narathiwat – Takbai Road, CheheSub-district, Takbai District, Narathiwat 96110
105	Waeng Narathiwat	073-659-321-4	073-659-325	No. 111/1-2, Village No. 1, Su-ngai Kolok – Waeng Road, Waeng Sub-district, Waeng District, Narathiwat 96160
106	Rueso Narathiwat	073-572-270-3	073-572-274	No. 30/15, Village No. 2, Rueso-Yala Road, Rueso Ok Sub-district, Rueso District, Narathiwat 96150
107	Narathiwat	073-512-627-8	073-512-629	No.52/18-19, Suriyapradit (Opposite Police Station) Road, Bangnak Sub-district, Mueang District, Narathiwat 96000
108	Thanon Wichitchaiboon Narathiwat	073-513-664-5	073-513-663	No.11/2-4, Wichitchaiboon Road, Bangnak Sub-district, Mueang District, Narathiwat 96000

Affiliated Company and Investment of the Bank

Amanah Leasing Public Company Limited

Business Type: Islamic hire-purchase service

Head Office Address: 16-16/1 Soi Kasemsant 1, Phayathai Road, Wangmai Sub-District, Patumwan District, Bangkok 10330

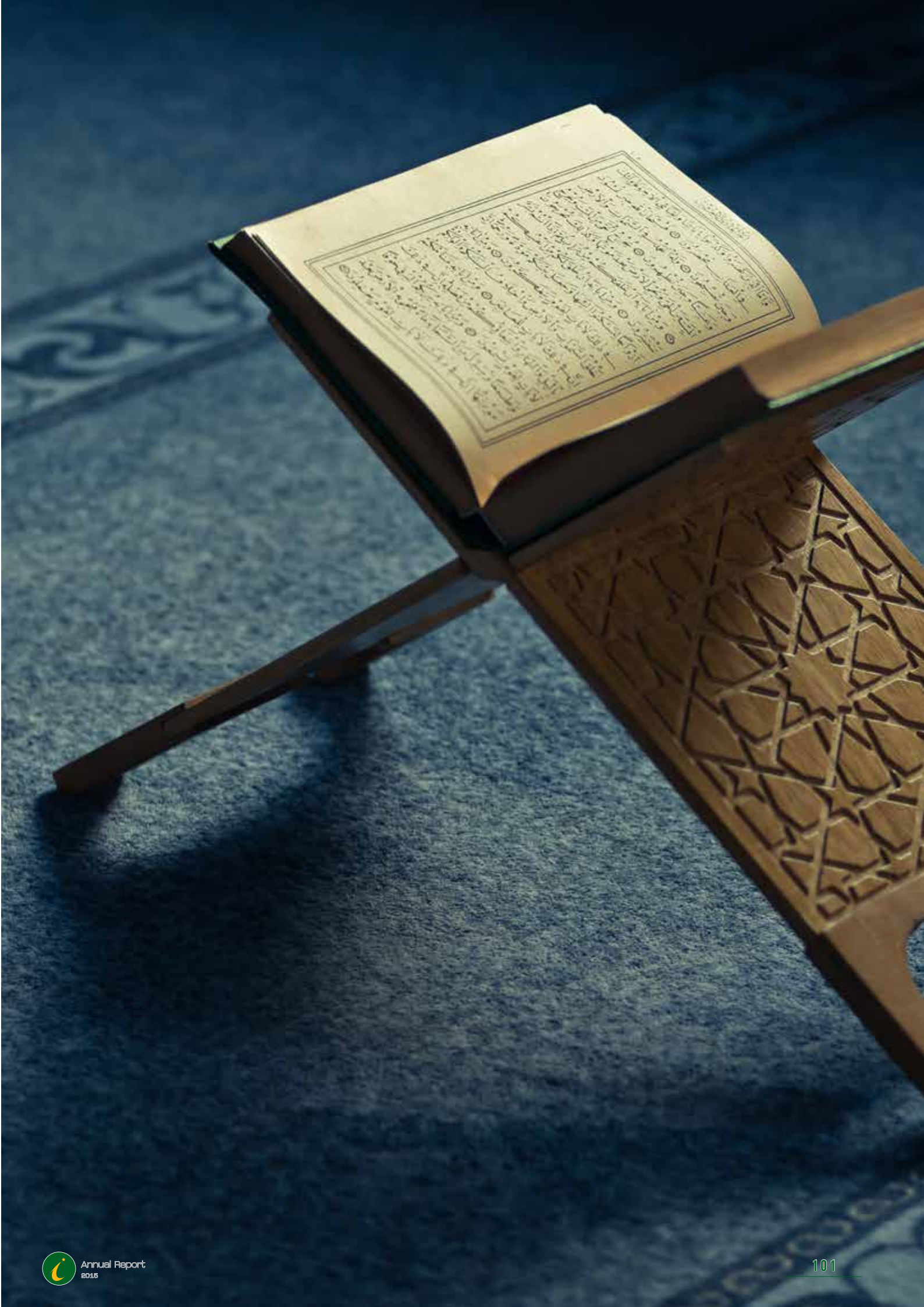
Telephone: 02-612-3233

Facsimile: 02- 612-3255

Paid-up capital: 950,000,000 Baht, divided into 950,000,000 ordinary shares:

Paid-up capital ratio: 49%







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66 Q House Asoke
Class B, M, 12, 14, 17, 18, 20-23.
Sukhumvit 21 (Asoke) Road Nua, Wattana, Bangkok 10110.
Tel: 0-2650-6999  **ibank.th**