

**Bangkok Bank (China) Company
Limited**

2022 Annual Report



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【Note】 : The annual report of year 2022 hereby (including independent audit report) is published in accordance with the requirements of former China Banking Regulatory Commission and <Measures for the Information Disclosure of Commercial Banks> and shall not be for any other use in any manner without the consent of Bangkok Bank (China) Company Limited. **All amounts expressed in RMB Yuan unless otherwise specified.**

Part I Bank Introduction

The basic information of Bangkok Bank (China) Company Limited

English full name:	Bangkok Bank (China) Company Limited
The registered capital:	Renminbi 4,000,000,000 or equivalent in freely convertible currencies
The registered address:	Floor 2 (B-C), Floor 3 and Floor 4, No. 7 Zhongshan East-1 Road, Huangpu District, Shanghai
Establishment date:	December, 2009
Business scope:	All kinds of foreign exchange services and Renminbi services to all types of customers within the following business scope of the Bank: taking deposits from the public; extending short-term, medium-term and long-term loans; acceptance and discounting of negotiable instruments; trading of treasury bonds, financial bonds and other foreign currency denominated securities (other than stocks); provision of letter of credit services and guarantees; domestic or international settlements; sales and purchase of foreign exchange and acting as an agent for selling and purchasing foreign exchange; insurance agency; inter-bank lending; bank card business; safety box services; creditability investigations and consultancy services; and such other businesses as approved by the CBIRC, and the settlement and sales of foreign exchange against Renminbi as approved by the People's Bank of China.
Legal representative:	Mr. Chartsiri Sophonpanich
The shareholder:	Bangkok Bank Public Company Limited, it lawfully holds 100% of the Shareholding Interest in the Bank

Part II Financial Report

2.1 Financial Highlights**Income Statement Item**

	Y2022	Y2021
Operating Income	486,653,058	320,084,275
Operating Expenses	(311,449,771)	(281,907,934)
Profit Before Taxation	175,146,109	38,146,699
Net Profit for the year	154,766,074	52,733,519

Balance Sheet Item

	12/31/2022	12/31/2021
Loans and Advances to Customers	8,008,919,667	7,699,622,076
Total Assets	14,842,891,516	15,173,057,304
Deposits from Customers	8,976,379,134	9,509,031,314
Total Liabilities	9,777,611,399	10,257,978,370
Paid-in Capital	4,000,000,000	4,000,000,000
Total Owners' Equity	5,065,280,117	4,915,078,934

For detail information please refer to enclosed Y2022 annual audit report.

Part III Risk Management and Capital Adequacy Ratio

Risk management

The Bank's risk management is an integral part of the Bank business strategy. The Bank risk management approach focuses on ensuring continued financial soundness and safeguarding the interest of our shareholder, while remaining nimble to seize value-creating business opportunities in a fast-changing environment. The Bank is committed to maintaining high standards of corporate governance, sound risk management principles and business practices to achieve sustainable long-term business expansion or growth. The Bank continuously strive towards best risk management practices to support the Bank's strategic objectives.

The Bank has put in placed a framework of policies, methodologies, tools and processes that will help the Bank to identify, measure, monitor and manage material risks faced by the Bank.

The Bank's responsibility for risk management starts at the top with the Board of Directors overseeing a governance structure that is designed to ensure that the Bank's business activities are:

- Conducted in a safe and sound manner and in-line with established risk management policies;
- Consistent with the Bank's overall business strategy and risk appetite;
- Adequate risk management and internal controls.

The Board of Directors is assisted by the Risk Management Committee in the oversight of risks namely; credit risk, market risk, liquidity risk and operational risk. The Bank has developed a comprehensive risk management policy to establish a comprehensive risk management system. In addition to the above-mentioned risks, risk management system also includes reputational risks, strategic risks, information technology risks, money laundering risks and other risks. The Risk Management Committee is responsible to ensure risk reports are regularly submitted to the Board of Directors to keep the Board of Directors posted of the Bank's risk profile. And related risk strategy or policies are appropriate approved by the Board of Directors for implementation. The Bank's senior management is responsible for establishing risk management policies and procedures, according to the risk management strategy approved by the Board of Directors and the Risk Management Committee. These risk management policies are implemented by different departments of the Bank upon approval from the Board of Directors.

3.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from credit business. In treasury transactions, credit risk refers to that the issuer fails to repay the matured principal or interest.

3.1.1 Credit business

Considering the market and economic environment, business development strategy and the requirements of customers, within the Bank's risk control scope, the Bank provides various direct credit businesses and direct credit substitute businesses to foreign-invested companies set up in the PRC mainly by Southeast Asian companies and domestic companies with good credit standing.

The Bank has established a strict credit management system, including credit approval, daily credit monitoring, credit classification monitoring, problem loan management, policies for expected credit loss provisioning and write-off, debt restructuring, etc.

The Bank adopts the internal five-tier grading loan classification approach (the "Internal Credit Grading") to monitor the risk condition of its loan portfolios. This approach assesses the credit grading by considering the customers' credit record, financial position, repayment condition, as well as the collaterals to monitor the risk of loan portfolios.

If the counterparties are concentrated in a few industries or a few geographical areas, or have similar economic characteristics, the credit risk is normally higher. In addition, different industries and geographical areas may have different characteristics; hence the respective credit risk is not similar. The Bank has set specific limits for large exposure credit concentration, industry concentration and country concentration to improve the credit risk structure. The Bank has managed exposure to country risks within a reasonable limit

and provided adequate Special Reserve on country risk exposures. The Bank prepares the exposure report of concentration risk quarterly and performs periodical review on it.

The Bank mitigates credit risk by obtaining mortgage, cash margin, pledged deposits, and guarantees from companies or individuals. The Bank has specified amounts and categories of collateral required according to the assessment result of credit risk of the counterparty. The Bank has established underwriting standards on collateral types and assessment methods. The Bank has specified categories of acceptable collateral, including deposit pledge, land use rights, buildings, and machines and equipments. To reduce the credit risk, the Bank has stipulated discount rates for different collaterals to reflect the cash realisable value. The business units will monitor the market value of the collaterals regularly and may require the obligors to increase the collaterals based on the related agreements. When performing assessment of the adequacy of loss provision, changes in the market value of the collaterals will be considered. For a loan guaranteed by a third party, the Bank assesses the guarantor's financial condition, historical credit record and its capacity to settle the debts on behalf of the obligor.

Except for loans, collaterals or guarantees needed for other financial assets shall be determined by the nature of the instruments.

3.1.1.1 Loans and advances to customers Analysed by security type

	2022	2021
Unsecured loans	1,097,072,597	1,175,606,076
Guaranteed loans	3,523,418,700	3,041,943,910
Secured loans	3,989,267,780	4,051,980,381
- <i>mortgaged</i>	3,642,702,311	3,604,068,152
- <i>pledged</i>	346,565,469	447,912,229
	<hr/>	<hr/>
Total loans and advances	8,609,759,077	8,269,530,367
Add: Interest accrued	17,864,241	16,136,244
	<hr/>	<hr/>
Subtotal	8,627,623,318	8,285,666,611
Less: Allowances for impairment losses	(618,703,651)	(586,044,535)
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Net book value of loans and advances to customers	8,008,919,667	7,699,622,076
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Overdue loans analysed by overdue period

As at 31 December 2022, the Bank has no overdue loans (2021: the Bank has no overdue loans).

3.1.1.2 Expected credit loss provisions

As at 31 December 2022, the Bank's loan provision ratio was 7.19% (2021: 7.09%), and provision coverage ratio was 13,249% (2021: 8,601%). The loan impairment provision accrued by the Bank met the relevant regulatory requirements.

3.2 Liquidity risk

Liquidity risk means the risk that a commercial bank is unable to acquire adequate funds in a timely manner at a reasonable cost to repay mature debts, fulfill other payment obligations and meet other capital needs for normal business activities.

The liquidity risk management is to ensure that the Bank has sufficient liquidity/cash to meet its obligations

related to financial liabilities and its demand on business development. These include that the Bank can meet withdrawal request from customers on demand or when contracts mature; the Bank has sufficient funds for repayment when borrowings mature; the Bank needs to maintain sufficient liquidity to meet the regulatory liquidity ratio requirement; and the Bank has sufficient funds for new investment opportunity.

The liquidity risk management measure adopted by the Bank is primarily to match the maturity structures between assets and liabilities. Due to differences between various businesses and maturity tenors, it is impractical to maintain a perfect match between assets and liabilities. The Bank has established a set of procedures for identifying, measuring, monitoring and reporting liquidity risk, including limits for cash flow, liquidity ratio, liquidity matching ratio and, High-quality Liquidity Asset Adequacy Ratio. The Bank has established liquidity contingency plan to maintain an appropriate balance of cash flows and to ensure all the required funds can be provided at maturity. The Bank has set up regular stress testing on the Bank's liquidity risk in order to take advanced action to prevent bad impact on the Bank's daily operation. The Bank considers and prevents possible liquidity risk in the future so as to improve its payment capacity under the liquidity stress.

On 23 May 2018, the CBIRC issued the Administrative Measures on Liquidity Risk of Commercial Banks (CBIRC Order [2018] No. 3), which revised the previous liquidity management measures for commercial banks. According to the requirements of the Measures, commercial banks with asset scale below RMB 200 billion shall attain the minimum regulatory standards for high-quality liquid asset adequacy ratio, liquidity ratio and liquidity matching rate continuously. As at 31 December 2022, the Bank's high-quality liquid asset adequacy ratio was 253.23%, the liquidity ratio was 171.21%, and the liquidity matching ratio was 112.92%, all of which met regulatory requirements.

The following tables provide the analysis of the contractual undiscounted cash flows of the Bank's financial assets and liabilities at the balance sheet dates. Interest receivable and payable of financial assets and liabilities with fixed terms are presented according to the due dates of interest stipulated in the contracts; current financial assets and liabilities (including interest receivable and payable as at the balance sheet dates) are presented under the item "repayable on demand/terms undated".

	2022							
	Carrying amount	Contractual undiscounted cash flows	Repayable on demand/terms undated	Within 1 month	Between 1 month and 3 months	Between 3 months and 1 year	Between 1 year and 5 years	More than 5 years
Financial assets								
Cash on hand and deposits with central bank	928,949,505	928,949,505	928,949,505	-	-	-	-	-
Deposits and placements with inter-banks and non-bank financial institutions	1,689,594,661	1,708,093,163	48,594,052	1,132,101,463	111,329,283	416,068,365	-	-
Derivative financial assets	72,977,252	72,977,252	72,977,252	-	-	-	-	-
Loans and advances to customers	8,008,919,667	9,161,432,026	-	748,765,468	1,567,493,829	2,029,649,175	2,173,987,545	2,641,536,009
Other debt investment	3,586,184,484	3,671,018,000	-	51,905,000	261,885,000	1,629,339,000	1,727,889,000	-
Other financial assets	7,311,454	7,311,454	7,311,454	-	-	-	-	-
Total assets	14,293,937,023	15,549,781,400	1,057,832,263	1,932,771,931	1,940,708,112	4,075,056,540	3,901,876,545	2,641,536,009
Financial liabilities								
Deposits and borrowings from inter-banks	(205,672,419)	(208,946,666)	(3,393,227)	-	(102,750,100)	(102,803,339)	-	-
Derivative financial liabilities	(78,721,915)	(78,721,915)	(78,721,915)	-	-	-	-	-
Deposits from customers	(8,976,379,134)	(9,098,404,124)	(2,287,396,909)	(736,976,612)	(577,223,011)	(4,278,503,651)	(1,218,303,941)	-
Other financial liabilities	(4,852,840)	(4,852,840)	(4,852,840)	-	-	-	-	-
Total liabilities	(9,265,626,308)	(9,390,925,545)	(2,374,364,891)	(736,976,612)	(679,973,111)	(4,381,306,990)	(1,218,303,941)	-
Net position	5,028,310,715	6,158,855,855	(1,316,532,628)	1,195,795,319	1,260,735,001	(306,250,450)	2,683,572,604	2,641,536,009

	2021							
	<i>Carrying amount</i>	<i>Contractual undiscounted cash flows</i>	<i>Repayable on demand / terms undated</i>	<i>Within 1 month</i>	<i>Between 1 month and 3 months</i>	<i>Between 3 months and 1 year</i>	<i>Between 1 year and 5 years</i>	<i>More than 5 years</i>
Financial assets								
Cash on hand and deposits with central bank	793,806,262	793,806,262	793,806,262	-	-	-	-	-
Deposits and placements with inter-banks and non-bank financial institutions	2,886,224,966	2,893,149,916	71,146,410	2,059,462,359	535,078,445	227,462,702	-	-
Derivative financial assets	9,569,164	9,569,164	9,569,164	-	-	-	-	-
Loans and advances to customers	7,699,622,076	8,678,052,988	-	652,913,905	1,625,055,421	2,008,453,110	2,473,604,287	1,918,026,265
Other debt investment	3,194,612,931	3,259,296,000	-	258,430,000	416,870,000	1,368,687,000	1,215,309,000	-
Other financial assets	12,200,886	12,200,886	12,200,886	-	-	-	-	-
Total assets	14,596,036,285	15,646,075,216	886,722,722	2,970,806,264	2,577,003,866	3,604,602,812	3,688,913,287	1,918,026,265
Financial liabilities								
Deposits and borrowings from inter-banks	(233,241,720)	(237,755,415)	(739,048)	(31,878,642)	-	(205,137,725)	-	-
Derivative financial liabilities	(6,960,060)	(6,960,060)	(6,960,060)	-	-	-	-	-
Deposits from customers	(9,509,031,314)	(9,633,781,082)	(3,154,600,118)	(398,383,912)	(348,565,377)	(4,242,310,688)	(1,489,920,987)	-
Other financial liabilities	(6,227,167)	(6,227,167)	(6,227,167)	-	-	-	-	-
Total liabilities	(9,755,460,261)	(9,884,723,724)	(3,168,526,393)	(430,262,554)	(348,565,377)	(4,447,448,413)	(1,489,920,987)	-
Net position	4,840,576,024	5,761,351,492	(2,281,803,671)	2,540,543,710	2,228,438,489	(842,845,601)	2,198,992,300	1,918,026,265

3.3 Market risk

Market risk management is the total process of identifying, measuring, monitoring and controlling market risks. Market risk refers to the risk arising from financial instruments' fair value or future cash flow fluctuations due to changes in market prices, including interest rate risk and foreign currency risk. Interest rate risk arises when the change in interest rates affect fair value of interest rate related product; foreign currency risk arises when the change in foreign exchange rates affect the value of the net assets/liabilities or when the Bank has spot/forward FX positions. Market risk of the Bank exists in trading book and banking book.

The Bank's interest rate risk mainly includes the mismatching risk of the maturity structure of assets and liabilities from banking books and the risk of positions held in trading books used for trading purposes.

The Bank's interest rate risk includes the risks arising from when the repricing and/or maturity schedule of assets and liabilities are not matched, causing the uncertainty of net interest income in banking book. The Bank's management tools of interest rate risk includes Cumulative NII Impact limit, Interest rate gapping limit for the balance sheet, Cumulative EVE Impact limit, and conduct regular stress test. Meanwhile, by closely observing interest rate trends (both in Renminbi and foreign currency) and market interest rate changes, the Bank conducts proper scenario analysis and makes timely adjustments to the loan and deposit interest rates (both in Renminbi and foreign currency) in line with the benchmark interest rates to reduce its interest rate risk. Meanwhile, the Bank set the PV01 limit to monitor and control the interest risk in trading book.

The Bank's foreign currency risk exposures mainly arise from net on-balance-sheet assets and liabilities designated in foreign of which values are exposed to foreign exchange rates. The Bank's main principle of foreign currency risk control is to match the assets and liabilities of the respective individual currency to minimise the foreign currency risk and to control the currency risk exposure within limits set by the Bank. The Bank, based on the guiding principles from Risk Management Committee, relevant laws and regulations and the management's evaluation of the current environment, has set risk tolerance limits, and avoids risk via reasonable arrangements of assets and liabilities in different currencies.

The Bank classifies financial instruments into investment portfolios on banking book and trading book to effectively monitor market risk. According to the Former CBRC's Market Risk Management Guidelines for Commercial Banks, the Bank has established market risk management policy and procedures to set related limits on all market risk exposures. These policies and procedures illustrate the structure and approval mechanism of market risk limits. Market risk limits mainly include product limits, foreign exchange position limits, cut-loss limits, PV01 limit and FX gapping limits.

3.3.1 Interest rate risk

The Bank's interest rate risk is monitored by Market and Operational Risk Management Division. Market and Operational Risk Management Division has established relevant policies and monitoring procedures to regularly report risk condition to Assets/Liabilities Committee. The monitoring on interest rate risk mainly includes gap analysis on interest rate re-pricing schedule and stress test.

3.3.1.1 Exposure to interest rate risk

The Bank's interest rate risk mainly includes the risks arising from when the repricing and / or maturity schedule of assets and liabilities are not matched, causing the uncertainty of net interest income in banking book.

The following tables indicate the distribution by expected next re-pricing dates (or maturity dates, whichever are earlier) of financial assets and liabilities at the balance sheet dates.

	2022					Total
	Non-accrual	Within 3 months	Between 3 months and 1 year	Between 1 year and 5 years	More than 5 years	
Assets						
Cash on hand and deposits with central bank	11,609,305	917,340,200	-	-	-	928,949,505
Deposits and placements with inter-banks and non-bank financial institutions	2,335,388	1,288,952,850	398,306,423	-	-	1,689,594,661
Derivative financial assets	72,977,252	-	-	-	-	72,977,252
Loans and advances to customers	17,864,241	2,296,314,063	5,694,741,363	-	-	8,008,919,667
Other debt investment	43,909,534	300,634,700	1,555,361,750	1,686,278,500	-	3,586,184,484
Other assets	7,311,454	-	-	-	-	7,311,454
Total assets	156,007,174	4,803,241,813	7,648,409,536	1,686,278,500	-	14,293,937,023
Liabilities						
Deposits and borrowings from inter-banks	(2,279,694)	(103,392,725)	(100,000,000)	-	-	(205,672,419)
Derivative financial liabilities	(78,721,915)	-	-	-	-	(78,721,915)
Deposits from customers	(175,984,442)	(3,537,710,042)	(4,130,725,366)	(1,131,959,284)	-	(8,976,379,134)
Other liabilities	(4,852,840)	-	-	-	-	(4,852,840)
Total liabilities	(261,838,891)	(3,641,102,767)	(4,230,725,366)	(1,131,959,284)	-	(9,265,626,308)
Net position	(105,831,717)	1,162,139,046	3,417,684,170	554,319,216	-	5,028,310,715
	2021					Total
	Non-accrual	Within 3 months	Between 3 months and 1 year	Between 1 year and 5 years	More than 5 years	
Assets						
Cash on hand and deposits with central bank	19,447,908	774,358,354	-	-	-	793,806,262
Deposits and placements with inter-banks and non-bank financial institutions	1,663,199	2,662,177,347	222,384,420	-	-	2,886,224,966
Derivative financial assets	9,569,164	-	-	-	-	9,569,164
Loans and advances to customers	16,136,244	2,257,897,637	5,425,588,195	-	-	7,699,622,076
Other debt investment	46,024,341	650,299,600	1,308,980,500	1,189,308,490	-	3,194,612,931
Other assets	12,200,886	-	-	-	-	12,200,886
Total assets	105,041,742	6,344,732,938	6,956,953,115	1,189,308,490	-	14,596,036,285
Liabilities						
Deposits and borrowings from inter-banks	(624,278)	(32,617,442)	(200,000,000)	-	-	(233,241,720)
Derivative financial liabilities	(6,960,060)	-	-	-	-	(6,960,060)
Deposits from customers	(142,280,261)	(3,880,340,937)	(4,139,878,006)	(1,346,532,110)	-	(9,509,031,314)
Other liabilities	(6,227,167)	-	-	-	-	(6,227,167)
Total liabilities	(156,091,766)	(3,912,958,379)	(4,339,878,006)	(1,346,532,110)	-	(9,755,460,261)
Net position	(51,050,024)	2,431,774,559	2,617,075,109	(157,223,620)	-	4,840,576,024

3.3.1.2 Sensitivity analysis

The Bank adopts sensitivity analysis to measure the probable impacts on the Bank's net profit and owners' equity caused by interest rate change.

With all other variables held constant, the following table shows the impact on net profit and owners' equity caused by reasonable change in interest rate.

	2022		2021	
	Impact on net profit Increase / (decrease)	Impact on equity Increase / (decrease)	Impact on net profit Increase / (decrease)	Impact on equity Increase / (decrease)
Increase 100 basis points	27,308,219	12,812,176	32,627,469	13,781,302
Decrease 100 basis points	(33,741,430)	(18,751,021)	(31,310,164)	(12,055,703)

This sensitivity analysis is based on a static interest risk profile of assets and liabilities. The analysis only evaluates the interest fluctuation within one year and reflects the impact, rising from the re-pricing on assets

and liabilities of the Bank within one year, on interest income and expense calculated per annum. The analysis is based on the following assumptions:

- All of the assets and liabilities that will be re-priced or mature within one year will be re-priced or mature at the beginning of certain period;
- Yield curve moves along with interest change parallel; and
- There is no other change in the portfolio of assets and liabilities.

As a result of the hypothesis above, the actual changes in the Bank's net interest income caused by fluctuation of interest rate may be different from the result of the sensitivity analysis above.

3.3.2 Foreign exchange risk

3.3.2.1 Exposure to foreign exchange risk

The Bank's foreign currency risk includes exposure of on-balance-sheet assets and liabilities denominated in foreign currency and off-balance-sheet derivatives denominated in foreign currency. The Market and Operational Risk Management Division of the Bank manages foreign currency risk exposure in various ways, including limiting foreign currency net position and conducting stress test regularly.

The foreign currency exposures of the Bank's financial assets and liabilities at the balance sheet dates are as follows. Under the consideration of presentation, the amount of foreign currency risk exposures is expressed in Renminbi and is converted by the rates at the balance sheet dates.

	2022			
	RMB	USD (RMB equivalent)	Other currency (RMB equivalent)	Total (RMB equivalent)
Assets				
Cash on hand and deposits with central bank	917,983,507	10,961,779	4,219	928,949,505
Deposits and placements with inter-banks and non-bank financial institutions	496,715,350	1,189,145,461	3,733,850	1,689,594,661
Derivative financial assets	72,977,252	-	-	72,977,252
Loans and advances to customers	7,748,437,863	260,481,804	-	8,008,919,667
Other debt investment	3,586,184,484	-	-	3,586,184,484
Other assets	6,748,120	-	563,334	7,311,454
Total assets	12,829,046,576	1,460,589,044	4,301,403	14,293,937,023
Liabilities				
Deposits and borrowings from inter-banks	(205,672,419)	-	-	(205,672,419)
Derivative financial liabilities	(78,721,915)	-	-	(78,721,915)
Deposits from customers	(8,772,750,520)	(197,537,173)	(6,091,441)	(8,976,379,134)
Other liabilities	(4,824,572)	(28,268)	-	(4,852,840)
Total liabilities	(9,061,969,426)	(197,565,441)	(6,091,441)	(9,265,626,308)
Net position	3,767,077,150	1,263,023,603	(1,790,038)	5,028,310,715
2021				
	RMB	USD (RMB equivalent)	Other currency (RMB equivalent)	Total (RMB equivalent)
Assets				
Cash on hand and deposits with central bank	774,919,123	18,883,325	3,814	793,806,262
Deposits and placements with inter-banks and non-bank financial institutions	1,447,230,108	1,430,251,330	8,743,528	2,886,224,966
Derivative financial assets	9,569,164	-	-	9,569,164
Loans and advances to customers	7,331,616,936	337,571,209	30,433,931	7,699,622,076
Other debt investment	3,194,612,931	-	-	3,194,612,931
Other assets	11,715,285	478	485,123	12,200,886
Total assets	12,769,663,547	1,786,706,342	39,666,396	14,596,036,285
Liabilities				
Deposits and borrowings from inter-banks	(201,352,085)	(31,889,635)	-	(233,241,720)
Derivative financial liabilities	(6,960,060)	-	-	(6,960,060)
Deposits from customers	(9,093,587,549)	(410,536,179)	(4,907,586)	(9,509,031,314)
Other liabilities	(6,212,369)	(14,798)	-	(6,227,167)
Total liabilities	(9,308,112,063)	(442,440,612)	(4,907,586)	(9,755,460,261)
Net position	3,461,551,484	1,344,265,730	34,758,810	4,840,576,024

3.3.2.2 Sensitivity analysis

With all other variables held constant, the following table shows the impact on net profit and owners' equity when foreign currency changes against the functional currency.

	2022		2021	
	Impact on net profit Increase / (decrease)	Impact on equity Increase / (decrease)	Impact on net profit Increase / (decrease)	Impact on equity Increase / (decrease)
Appreciation against RMB by 100 bps	9,459,252	9,459,252	10,342,684	10,342,684
Depreciation against RMB by 100 bps	(9,459,252)	(9,459,252)	(10,342,684)	(10,342,684)

This sensitivity analysis is based on a static foreign exchange exposure profile of assets and liabilities. The

analysis estimates the impact on net profit and owners' equity due to the probable fluctuation of foreign exchange rates under the assumption that the other factors remain stable. The analysis is based on the following assumptions:

- the foreign exchange sensitivity is the gains and losses recognised as a result of 1% fluctuation in the foreign currency exchange rates;
- the exchange rates for all foreign currencies change in the same direction simultaneously; and
- Off-balance-sheet items have not been included in the currency risk exposure.

As a result of the hypothesis above, actual fluctuation of net foreign currency exchange from changes in exchange rates may differ from the estimation of the sensitivity analysis above.

3.4 Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It is involved in every process of the Bank's daily operation. The Bank has established Market and Operational Risk Management Division, which is independent of other divisions, to be responsible for operational risk management. Market and Operational Risk Management Division regularly monitors KRI as well as loss data/near miss data and report to the Board of Directors ("the Board") via Risk Management Committee.

3.5 Compliance risk

The Board of Directors ("the Board") takes the ultimate responsibility for the Bank's compliance operation. Compliance and Legal Division manages and coordinates compliance work with the compliance officer of each branch. Branch manager is responsible for compliance operation within the branch while division manager is responsible for compliance operation within the division. Branch compliance officer performs duty within the branch and report to Compliance and Legal Division manager and branch manager at the same time.

Compliance and Legal Division set detailed contents for compliance risk review and branch compliance officer conducts regular compliance review of business divisions covering implementation of Chinese regulation such as AML regulation and other regulations for bank business. Branch compliance officer reports compliance review result to both branch manager and Compliance and Legal Division.

3.6 Reputation Risk

Reputational Risk is the risk which may result in receiving negative comments from interested parties with respect to a commercial bank's operation, management or any other act or any external event.

The Bank's Reputational Risk Management Policy and Procedure has been revised with BOD's approval according to the requirement of the Notice issued by CBIRC on Measures on Reputational Risk Management for Banking and Insurance Institutions (for trial implementation) ([2021] No.4). The reputational risk management related status is reported to CEO via CRO, as well as report to BOD via RMC at least on a quarterly basis.

3.7 Related party transactions management

In accordance with relevant provisions of the Measures for the Administration of Related Party Transactions of Banking and Insurance Institutions (Order No. 1 of the China Banking and Insurance Regulatory Commission 2022), related party transactions of commercial banks refer to interest transfers between commercial banks and related parties, including related party transactions of credit granting type, asset transfer type, service type, deposit and other types.

The pricing of the Bank's related party transactions is made according to commercial principles and on the conditions not superior to those for a non-related party's transactions of the same type. In 2022, the Bank's related party transactions are mainly with banks within Parent Bank Group. Aside from that, excluding matters that are allowed to be exempted from review and disclosure in accordance with related party transactions, the Bank has no other related party transactions in 2022. The transactions with Parent Bank Group are detailed in Note 36 to the 2022 Annual Audit report.

Capital Adequacy Ratio

The capital management of the Bank covers the calculation and reporting of capital adequacy ratio (CAR), capital assessment and capital planning. The CAR of the Bank represents its abilities of stable operations and risk resistance. The CAR management of the Bank aims to ensure the Bank holds adequate capital, which is appropriate to risk exposure and consistent with risk assessment results of the Bank, to meet the demand of business operation and the regulatory requirements. The capital planning aims to set a target CAR which satisfies the Bank with the demand of future business development strategy, risk appetite, risk management, external business environment and long-term sustainability of various capital sources.

The prudent and solid concept of capital management ensures the Bank to retain its capital at an adequate level to support business development under all conditions and to adjust CAR to a reasonable level timely and effectively, if necessary.

The Bank calculates CAR according to the Administrative Measures on Capitals of Commercial Bank (For Trial Implementation) and other relevant regulations. The capital of the Bank is composed of core tier one capital, other tier one capital and tier two capital. The risk weighted assets of on-balance-sheet assets are calculated based on various risk weights. The risk weights are determined in consideration of the risk factors of various assets, counterparties, markets and other relevant aspects, as well as qualified collateral and guarantee. The off-balance-sheet exposures are calculated by the same methodology with adjustments of contingent losses. The credit risk weighted assets for counterparties in terms of over-the-counter derivative transactions are the summation of defaulted risk weighted assets and credit valuation adjustment risk weighted assets. The market risk weighted assets are measured by standard method. The operational risk weighted assets are measured by basic indicator method.

The Bank's management regularly monitors the utilization of CAR and regulatory capital. The Bank reported relevant information to the CBIRC on a quarterly basis. The scope of the Bank's CAR calculation of the Bank covers all branches and sub-branches located in mainland China. Currently, the Bank does not have any overseas branches.

As at 31 December 2022 the CAR of the Bank has been calculated in accordance with Administrative Measures on Capitals of Commercial Bank (For Trial Implementation) issued by the former CBRC and other relevant regulations, and the calculation result was in compliance with the relevant regulatory requirements.

The capital adequacy ratio and relevant data of the Bank are calculated on the basis of the financial statements prepared in accordance with the CAS. The Bank is in compliance with the regulatory capital requirements during the year.

The adequacy ratio of core tier one capital, the adequacy ratio of tier one capital and the capital adequacy ratio as at 31 December 2022 calculated in accordance with the Administrative Measures on Capitals of Commercial Bank (For Trial Implementation) and other relevant regulations are as follows:

	2022	2021
Net core tier one capital	5,059,163,872	4,909,876,495
Net tier one capital	<u>5,059,163,872</u>	<u>4,909,876,495</u>
Tier two capital		
Excess loan impairment provision	133,397,749	130,306,405
Net capital	<u><u>5,192,561,621</u></u>	<u><u>5,040,182,900</u></u>

Bangkok Bank (China) Company Limited	2022 Annual Report	
Credit risk weighted assets	10,805,217,689	10,554,818,939
Market risk weighted assets	86,336,250	91,730,000
Operational risk weighted assets	644,363,800	609,588,800
Total risk weighted assets	<u>11,535,917,739</u>	<u>11,256,137,739</u>
Adequacy ratio of core tier one capital	<u>43.86%</u>	<u>43.62%</u>
Adequacy ratio of tier one capital	<u>43.86%</u>	<u>43.62%</u>
Capital adequacy ratio	<u>45.01%</u>	<u>44.78%</u>

Leverage Ratio

The Leverage Ratio of the Bank has been calculated in accordance with Administrative Measures on Leverage Ratio of Commercial Banks. As end of December 31, 2022, the Leverage Ratio of the bank of 25.58% met the minimum requirement of 4%. (As end of December 31, 2021, the Leverage Ratio of the bank was 25.36%)

Liability Quality Management

The Bank has established a sound liability quality management system. The Board of Directors (“the Board”) shall assume the overall responsibility for the operation and management of the Bank and supervise and manage the debt quality of the Bank. At the decision-making and managing department of liability quality management, the Assets/Liabilities Committee is responsible for formulating strategies, policies, procedures, debt limits and contingency plans related to liability quality management; adjusting and managing the Bank’s liability business, and pay attention to the interest rate risk, liquidity risk and market risk that may be brought by the liability business; evaluating relevant quality management strategies, systems, processes, limits and emergency plans every year, and revise them if necessary; relevant contents shall be reported to the BOD through the Risk Management Committee or applied for review and approval, so that the Board of Directors (“the Board”) could timely grasp the major changes and conditions of debt quality.

The Bank has formulated corresponding policies and procedures for each liability product, and set up internal limits that are in line with our own business characteristics. The business department conducts business in accordance with the liability strategy formulated by the Asset and Liability Committee, strictly abides by the product limits and regulatory requirements, and reports to the Asset and Liability Management Committee on a regular basis. At the same time, the Bank has established a comprehensive liability business risk management system to effectively identify, measure and detect liability business risks. For all liquidity supervision indicators and some monitoring indicators and internal management indicators, BBC has set up alert and trigger warnings respectively to implement early warning management. BBC also establishes liquidity contingency plans and conduct review on an annual basis to ensure business continuity in emergencies.

Part IV Corporate Governance

Corporate Governance

The structure of corporate governance of Bangkok Bank (China) Company Limited (hereinafter “BBC” or “the Bank”) consists of the Shareholder, the Board of Directors (“the Board”), the Supervisor and the Senior Management, the constitution fulfill modernized requirement on corporate governance. The Bank recognizes the importance of good corporate governance as a major factor in enhancing the efficiency of the organization. The bank therefore conducts its business in line with the principles of good corporate governance, which form a basis of sustainable growth. In order to maintain the Bank’s solid financial status, to achieve ongoing positive performance results and to sustain its good reputation, the Bank is committed to conducting its business in a prudent manner by setting up sufficient and appropriate internal controls and risk management systems in accordance with the principles of good corporate governance.

4.1 Shareholder

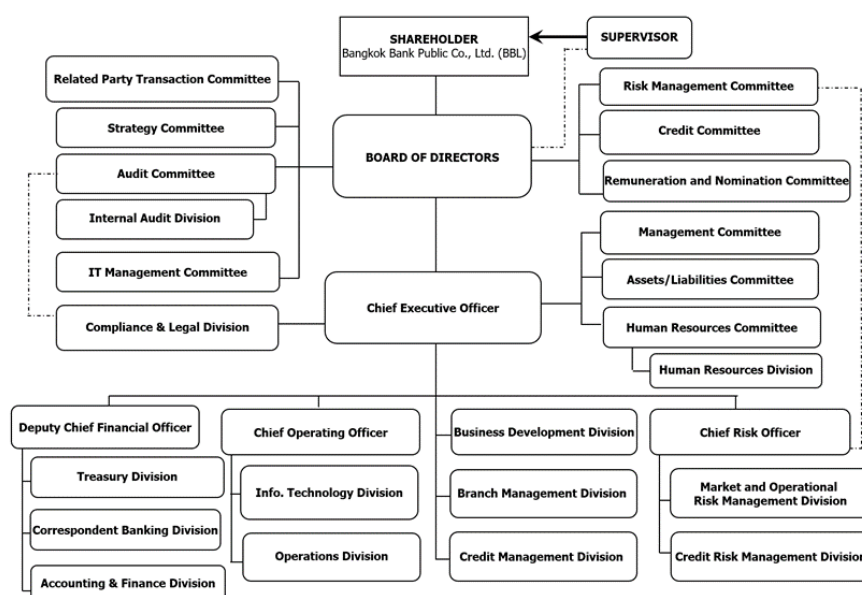
BBC is a foreign-funded bank wholly owned (100%) by Bangkok Bank Public Company Limited, Thailand. Bangkok Bank Public Company Limited, as the sole shareholder of BBC has fulfilled its responsibility earnestly and efficiently as the shareholder.

Being a bank with sole shareholder, there is no Shareholder’s meeting.

4.2 Governance structure of BBC

As at December 31, 2022, the BBC has established five branches: Shanghai Branch, Beijing Branch, Shenzhen Branch, Xiamen Branch and Chongqing Branch. Branches are governed by Head office located in Shanghai.

Governance structure of Head Office



4.3 The Board of Directors (“The Board”) and Composition

The Board is accountable to the Shareholder and exercise power as authorized by the shareholder and perform functions are required by the laws, regulations and AOA. The Board undertakes its overall responsibility of the bank including the bank’s business and risk strategy, operations and management and appropriate oversight on performance of Senior Management.

The Bank is helped by an effective and experience Board, comprising individuals of caliber credibility and

integrity. All directors of the Board are nominated by the Shareholder and approved by CBIRC prior to taking office.

Directors have the necessary skills, experiences as well as qualifications to supervise the management of the business and affairs of the Bank. The Board, as a whole, provides a mixture of core competences including banking, finance, accounting, economics, business management and audit for effective functioning and discharging of the responsibilities of the Board.

As of December 31, 2022, the Bank's Board of Directors has eleven (11) members. The composition of the Board consists of two (2) independent directors, two (2) executive directors and seven (7) non-executive directors including the Chairman of the Board. Mr. Lim Ann Juay took office as independent director of the Bank since January 1, 2022. Mr. Chen Shi and Mr. Duncan Clark no longer serve as independent directors of the Bank since March 21, 2022.

1	Mr. Chartsiri Sophonpanich (陈智深), Chairman
<p>Born in 1959, Master of Science in Management, Sloan School of Management, Massachusetts Institute of Technology, U.S.A., has been Chairman of the Bank since December 28, 2009.</p> <p>He is President, Director and Member of the Board of Executive Directors of Bangkok Bank Public Company Limited.</p> <p>He concurrently takes positions as President Commissioner of PT Bank Permata Tbk, member of Committee for Drafting the National Strategy for Enhancement of Competitiveness, member of National Strategy Committee, etc.</p>	
2	Ms. Hong Pei Li (洪佩丽), Independent Director, Chairman of Related Party Transaction Committee, Chairman of Remuneration and Nomination Committee, member of Audit Committee
<p>Born in 1964, Master of Economic, International Economics, East China Normal University, senior economist, has been independent director of the Bank since September 13, 2021.</p> <p>She concurrently takes position as Independent Director of Bank of Ningbo, member of council of Shanghai Fubon Public Welfare Foundation, external supervisor of Fujian Haixi Financial Leasing, and independent director of Xingyin Fund Co., Ltd.</p> <p>She was vice chairman, executive director of CASIN GROUP CO., LTD., chairman of board of Fubon Bank, director of CBRC CQ, deputy director of CBRC SH, etc.</p>	
3	Mr. Lim Ann Juay (林安睿), Independent Director, Chairman of Audit Committee, member of Related Party Transaction Committee, member of Risk Management Committee
<p>Born in 1965, Bachelor of Accountancy, the National University of Singapore, Fellow Member of the Institute of Certified Public Accountants of Singapore, and member of CPA Australia; has been independent director of the Bank since January 1, 2022.</p> <p>He concurrently takes position as Independent Director of JP Morgan Chase Bank (China) Company Limited.</p>	

He was audit partner in charge of Greater China Financial Services and partner in charge of Greater China Wealth Asset Management of Ernst & Young, Partner of Pricewaterhouse Coopers Zhongtian Accounting Firm etc.	
4	Ms. Rushda Theeratharathorn (李璇贞), Director, Chairman of Credit Committee, member of Related Party Transaction Committee, member of Strategy Committee
Born in 1955, Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University, has been director of the Bank since December 28, 2009. She is Senior Executive Vice President of Bangkok Bank Public Company Limited. She concurrently takes position as director of Bangkok Bank Berhad, Malaysia, Sinsuptawee Asset Management Company Limited and Bualuang Ventures Limited.	
5	Ms. Niramarn Laisathit (赖晓慧), Director, Chairman of Risk Management Committee, vice-chairman of Credit Committee
Born in 1967, Master of Business Administration, St. Louis University, U.S.A., has been director of the Bank since December 28, 2009. She is Director & Senior Executive Vice President (effective January 26, 2023), member of the Board of Executive Directors (effective February 23, 2023) of Bangkok Bank Public Company Limited. She concurrently takes position as director of Gateaux House Company Limited, director of Perennial HC Holdings Pte. Ltd., Commissioner of PT Bank Permata Tbk, director of Ratch Group Public Company Limited, director of Electricity Generating Authority of Thailand.	
6	Mr. Kung Lin Cheng Leo (孔令成), Director, Chairman of Strategy Committee and IT Management Committee.
Born in 1957, Bachelor of Business Administration, University of Southern California, has been director of the Bank since December 28, 2009. He is Executive Vice President of Bangkok Bank Public Company Limited, in charge of Business Expansion (Hong Kong and China) and IT (China). He concurrently takes position as director of Ancient Castle Company Limited, Step High Company Limited, Victoria Management Limited, World Guide Corporation Limited, Southern Ocean Investment Limited, Whodun Limited and Helping Hand.	
7	Mr. Toh Chong (杜聪), Director, member of Strategy Committee, Audit Committee, Remuneration and Nomination Committee
Born in 1968, Master of Science (Management), Sloan School of Management, Massachusetts Institute of Technology, U.S.A., has been director of the Bank since December 28, 2009.	

<p>He is Director & Senior Executive Vice President of Bangkok Bank Public Company Limited.</p> <p>He concurrently takes position as Executive Chairman of Bualuang Securities Public Company Limited, director of Bumrungrad Hospital Public Company Limited, Chairman of Asia Cement Public Company Limited, Chairman of Bangkok Capital Asset Management Company Limited, director of NSR SEA Fund, commissioner of PT Bank Permata Tbk, and Senior Advisor of Morgan Stanley (Thailand) Limited.</p>	
8	<p>Mr. Chiu Man Ching (赵文正), Director</p> <p>Born in 1959, Pacific Rim Bankers Program, University of Washington, has been director of the Bank since December 28, 2009.</p> <p>He is Senior Vice President of Bangkok Bank Public Company Limited, in charge of Treasury, Hong Kong and China.</p>
9	<p>Mr. Chaiyarit Anuchitworawong (欧阳景鑫), Director, member of Strategy Committee and vice-chairman of Credit Committee.</p> <p>Born in 1965, Master of Arts in Banking and Finance, University of Wales, United Kingdom, has been director of the Bank since December 2, 2014.</p> <p>He is Senior Executive Vice President of Bangkok Bank Public Company Limited, Head of International Banking Group & Manager, International Branch Division.</p> <p>He concurrently takes position as director of BBL (Cayman) Limited and Bangkok Bank Berhad, Malaysia.</p>
10	<p>Mr. Charoenlarp Thammanichanond, Director, Chief Executive Office, member of Strategy Committee, Risk Management Committee, Related Party Transaction Committee, IT Management Committee, Remuneration and Nomination Committee</p> <p>Born in 1975, Master of Business Administration, University of Pittsburgh, Pennsylvania, U.S.A., has been director of the Bank since January 1, 2020.</p> <p>He was general manager of Bangkok Bank Public Company Limited, Singapore Branch, etc.</p>
11	<p>Ms. Chow Ai Kiow (徐爱娇), Director, Secretary to the Board, Chief Operating Officer, member of Strategy Committee, Credit Committee and IT Management Committee, secretary to Remuneration and Nomination Committee.</p> <p>Born in 1956, Gen Cert. Cambridge "O" Level - Singapore, has been director of the Bank since December 28, 2009.</p> <p>She was Senior Manager of Global Risk Management Services Department of Pricewaterhouse Coopers, Shanghai, etc.</p>

The main responsibilities of the Board are to:

- Provide strategic directions, approve strategic business initiatives, and approve business plans and annual budget;
- Review and monitor the financial performance of the Bank, and approve the true and fair financial statements;
- Oversee the implementation of the Bank's governance framework and internal control framework, and periodic review to ensure its appropriateness in light of material changes to the size, nature and complexity of the Bank's operations;
- Establish appropriate procedures and processes to avoid situations that may give rise to improper personal gains or conflicts of interest;
- Set corporate culture, values and ethical standards; and
- Safeguard the legitimate rights and interests of financial consumers and other stakeholders.

The Board held 4 meetings in accordance with AOA and further held another 4 meetings in 2022 (total 8 meetings in 2022) to strengthen communication with senior management and provide timely guidance. The quorum for each meeting was met. Due to COVID-19 pandemic and impact of travel control, Board meetings in 2022 were held via video conference. The Chairman conducted the meeting according to the agenda, adequate time was allocated for presentation and discussion under each agenda. The Directors freely discussed and expressed their opinions at the meeting. All Board meeting minutes and resolutions are properly maintained by the Board Secretary.

4.4 Board Committees

To enhance its effectiveness and in discharging its fiduciary duties, the Board of Directors has established seven (7) committees namely: Audit Committee, Risk Management Committee, Credit Committee, Information Technology Management Committee, Related Party Transaction Committee, Strategy Committee and Remuneration and Nomination Committee to assist the Board in execution of its duties and responsibilities.

The Remuneration and Nomination Committee was established in January 2022 and Human Resources Committee no longer reports to the Board of Directors but report to the Bank's Senior Management.

The appointments of the members to these committees were approved by the Board of Directors and each committee operates within its own Term of Reference (TOR). The frequency of committee meeting, roles and responsibilities and etc. are clearly defined in TOR which is approved by the Board.

4.5 Independent Directors

There are two (2) Independent Directors on the Board by the end of 2022; Ms. Hong Pei Li and Mr. Lim Ann Juay. Ms. Hong Pei Li is the Chairman of Related Party Transaction Committee, Remuneration and Nomination Committee and member of Audit Committee. Mr. Lim Ann Juay is the Chairman of the Audit Committee, member of Related Party Transaction Committee and Risk Management Committee.

Independent Directors attended all BOD and Committee meetings and express independent opinions, in particular in the matters with respect to related party transactions of the Bank, the management of material risks of the Bank, the engagement of accounting firm that conducts regular statutory audit of the Bank's financial reports etc. Meanwhile, they discharged their duties diligently in line with respective TOR and

safeguarded the overall interest of the Bank and the shareholder, as well as legitimate rights and interests of financial consumers.

4.6 Supervisor

The Bank has one (1) Supervisor - Mr. Pornthep Kitsanayothin who is nominated by the shareholder and appointed in accordance with regulatory requirement and the Bank's Article of Association.

The Supervisor is born in 1950. He has Bachelor of Accounting of Thammasat University and is Executive Vice President of Bangkok Bank Public Limited (the Shareholder), in charge of General Management.

The main responsibilities of the Supervisor include:

- Reviewing the Bank's financial reports;
- Supervising the Board and Senior Management to ensure the Bank is run in a prudent manner and that the Board and Senior Management take corrective actions where necessary;
- Exercising such other power and authority pursuant to the laws, regulations and the Bank's Article of Association, and as may be authorized by Shareholder.

In 2022, the Supervisor duly discharged his responsibility of supervising the Board and Senior Management in accordance with the relevant local authority requirement and AOA. In discharging his responsibility, the Supervisor reviewed reports of the bank's operations and risk management, and conducted supervision of the operations and financial position of the Bank and the performance evaluation of the Directors and Senior Management. The Supervisor attended/participated in all Board Meetings (8 meetings). He also discussed/provided recommendations on related operations/risks matter to senior management where applicable.

4.7 Supervisor and Directors Access to Information

The Supervisor and Directors have unrestricted access to information and Management, and receive timely and comprehensive financial, risk management and operational reports to facilitate information discussions during meetings. They also have access to the Board Secretary whose responsibilities include advising the Supervisor and Directors on regulatory changes and good practices in corporate governance.

4.8 Remuneration Policy and Compensation for Board of Directors, Supervisor and Senior Management

According to the Bank's remuneration policy, staff's remuneration are commensurate with the duties and responsibilities, the Bank's overall performance, the individual's performance, market conditions, and other relevant factors. The Bank's remuneration is composed of fixed compensation, variable compensation, fringe benefits and etc. Fixed compensation is the basic compensation. Variable compensation is the performance bonus. Fringe benefits include social insurance premium, public housing fund, commercial insurance premium and etc.

In line with the Supervisory Guidelines on Sound Compensation in Commercial Banks issued by China Banking and Insurance Regulatory Commission, senior management and key personnel whose roles have material impacts on the Bank's risk exposure would have a portion of their performance-based compensation deferred. The proportion of deferred payment ranges from 40% to 50% per Bank's policy.

In 2022, the total compensation for Board of Directors, Supervisor and Senior Management was RMB32,536,575.

4.9 Senior Management

Senior Management are appointed by the Board of Directors taking into consideration each individual knowledge, capabilities and expertise which are beneficial to the Bank's business as well as leadership, management skill, potentials and readiness to assume assigned duties.

The present Senior Managements of the Bank include without limitation:

Position	Name	Year of Birth	Assignment Commencement	Highest Academic Degree	Relevant Years of Experience
Director, Chief Executive Officer	Mr. Charoenlarp Thammanichanond (谭永乐)	1975	Oct 2019	Master Degree	25
Director, Secretary to the Board, Chief Operating Officer	Ms. Chow Ai Kiow (徐爱娇)	1956	Dec 2009	Gen Cert. Cambridge "O" Level - Singapore	49
Chief Risk Officer	Ms. Hou Yixin (侯一昕)	1980	Feb 2020	PhD	11.5
Deputy Chief Financial Officer	Ms. Cai Fei (蔡斐)	1973	Dec 2009	Bachelor Degree	27.5
Manager of Compliance & Legal Division	Ms. Yu Qian (俞茜)	1976	Dec 2010	Master Degree	25
Manager of Internal Audit Division	Mr. Ma Jun (马骏)	1981	Sep 2014	Bachelor Degree	18.5
Branch Manager – Shanghai	Mr. Jason Chieh-Shan Wu (伍介山)	1953	Jul 2022	Master Degree	34
Branch Manager – Beijing	Mr. Watcharapong Pornchaichanakit (陈华东)	1972	Aug 2019	Master Degree	26.5
Branch Manager – Xiamen	Mr. Yan Shuming (严树明)	1966	Mar 2018	Master Degree	34.5
Branch Manager	Ms. Yaowaluck Pawijit (许佩佩)	1963	Feb 2020	Master	34.7

Position	Name	Year of Birth	Assignment Commencement	Highest Academic Degree	Relevant Years of Experience
– Shenzhen				Degree	
Branch Manager – Chongqing	Ms. Rattana Sanphasitvong (陈少玲)	1977	Jul 2022	Master Degree	22

Senior Management of the Bank is accountable to the Chief Executive Officer (CEO) with periodic report to respective committees and the Board via CEO.

As delegated by the Board, CEO is fully responsible for the day-to-day operations and management of the Bank. Under the leadership of the CEO, the Senior Management has fulfilled its roles and responsibilities;

- Adhere to strategic directions, strategic business initiatives, and business plans and annual budget approved by the Board;
- Ensure timely implementation of Board approved policies and procedures;
- Conduct periodic related risk related assessment to identify and address risk due to change of business environment and regulatory changes.
- Ensure compliance with laws and regulatory requirements.

Part V Social Responsibility Report

5.1 Consumer Rights Protection Working System

The Bank abides by the principles of voluntariness, equality, fairness, honesty and credibility, earnestly bear the main responsibility for consumer rights protection, and fulfill the legal obligations for consumer rights protection. The Bank integrates consumer rights protection into all aspects of corporate governance, and has established and improved the working system for consumer rights protection. The Board of Directors (“BOD”) undertakes the ultimate responsibility for consumer rights protection and the Risk Management Committee under the BOD undertakes the related working responsibilities of the consumer rights protection. In Year 2022, the Bank’s consumer rights protection working system operated in an orderly manner, ensuring all related work to be carried out smoothly.

5.2 Consumer Rights Protection and Public Financial Education

The Bank attaches great importance to the work of consumer rights protection and public financial education. To promote the awareness of risk-prevention to the public and improve consumers’ capability of protecting their legal rights, Branch Management Division of Head Office being the leading division conducted the following publicity works in 2022:

5.2.1 Special publicity activity

In 2022, the Bank continued to conduct the activities of “Delivering Financial Knowledge to Class”, and held the special lecture for the group from remote & low-income area. In Dec, BBC conducted online financial knowledge promotion activity to the teachers from Gulin Cheng Long School in Luzhou, Sichuan Province. Through presentation files and explanation audio materials sharing, typical cases related to deposit insurance, prevention of illegal fund-raising, vigilance against illegal acts of loan intermediaries, "credit investigation repair" fraud, protection of personal accounts safety and other risk prevention knowledge close to life, to further improve those teachers' financial literacy in the remote area.

5.2.2 Daily routine publicity

In the daily routine publicity work of 2022, the Bank publicized financial knowledge in Wechat official account and official website, provided publicity leaflets at banking hall for customers and displayed poster and slogan in LCD. Meanwhile, all staffs were encouraged to study and share the financial knowledge with their family and friends.

The Bank also followed regulatory requirements to conduct the following publicity week and publicity month, and publicity materials made by regulators and Head Office were distributed to all branches for publicity activities at branch level.

- March “3.15 Financial Consumers’ Right Protection Day” Publicity Activity
- May “Publicity Month of Deposit Insurance”
- June “Publicity Month of Prevention of Illegal Fund Raising”, Credit Investigation Publicity of "6.14 Credit Record Care Day", Publicity Month of “Popularizing Financial Knowledge and Keeping Purse String”, “Financial Knowledge Promotion Activity” and “Safety Production Month Activities”
- September “Financial Knowledge Promotion Month of Striving to Be Rational Investors and Financial Good Netizens” and “National Network Security Publicity Week”

Based on the epidemic prevention and control work and the actual situation, in 2022, the Bank actively carried out targeted online publicity to forward related Wechat articles publicized on the official Wechat platforms of the Bank to the Wechat group of the senior citizens of the Bund Community Cultural Activity Center in Shanghai, the teenager group of Shanghai Real Estate School and teachers from Gulin Cheng Long School in Gulin, Sichuan Province which has long-term close contact and cooperation with the Bank, to improve the anti-fraud awareness and self-protection capabilities of the elderly, young people and teachers in remote areas.

In the above special publicity activities and daily routine publicity activities, the Bank has effectively popularized financial knowledge and improved consumers' awareness.

5.3 Bangkok Bank China “The Power of Thai” Charity Project

In order to plan and carry out corporate social responsibility work more systematically, the Bank has brought “The Power of Thai” charity project of Bangkok Bank Public Company Limited (“Parent Bank”) to China and paid great attention to the education and growth situation of children in needy areas in China. Since 2014, with the support of Shanghai Smiles Foundation, the Bank has conducted home visit, donated daily necessities and communicated with children of Schools for Children of Migrant Workers, Hope Primary School, Schools for Left-behind Children, etc. in western region of China to create a warmer and more caring learning and growth environment for the left-behind children, and let the light of hope illuminate their future.

In December 2022, the Bank donated winter jackets to all the students from Gulin Cheng Long School in Sichuan Province and conducted annual “The Power of Thai” charity project. Due to the impact of the epidemic situation, volunteers of the Bank were unable to go to the school to interact with students in person. Colleagues from the Head Office, Beijing Branch, Shenzhen Branch, Chongqing Branch and Xiamen Branch prepared their own blessing videos and cards. In addition to the bank staffs, their children also joined the activity as volunteers. Through the videos, they conveyed their love and care for the left-behind children, encouraged them to study hard.

5.4 Green Credit

The Bank adheres to the concept of green credit, strictly implements the China Banking and Insurance Regulatory Commission's guidance on green credit, and prioritizes support for the financial needs of green industries encouraged by national policies in credit investment, and focuses on the financing needs of production and operation of clean energy, clean production, and energy conservation and environmental protection industries. The Bank increases financial support for strategic emerging industries, new energy industries and other key areas, and actively promotes the development of green economy, contribute to sustainable development.

The Bank will increase the investment in green credit under the premise of risk control and continue to deeply explore the environmental benefits of green credit. In the next three years, we plan to increase financial support for low-carbon environmental protection, photovoltaic & solar power generation and other green key areas in order to practice the concept of green development. As of the end of December 2022, the Bank's green loan outstanding amounted to RMB675 million. The existing green loan customers mainly contain industries such as construction of solar energy utilization facilities, biomass energy equipment

manufacturing, recycling of waste resources, harmless treatment and disposal of industrial solid waste and comprehensive utilization, and construction of photovoltaic power plant infrastructure, manufacturing and industrialization of key components for new energy vehicles, etc. The Bank's goal is to reach green loan outstanding of RMB830 million by 2023.

The Bank's credit line guidelines clearly stipulate that before providing a line of credit, the Bank shall assess whether the borrowing company has an impact on the environment, and require branches to explain the customer's environmental compliance status in the credit application report, and provide the customer's environmental protection certificate and other supporting documents to actively prevent credit risks caused by environmental protection violations. The Bank actively promotes the development of green credit, increase internal resources such as green credit lines, strictly controls loans to industries with high energy consumption, high pollution and overcapacity, while optimizing the Bank's own credit business structure to effectively prevent and defuse credit risk.

5.5 Customer Complaint

The Bank attaches great importance to customers' opinions and suggestions, follows the principles of "compliance with the law, convenience and efficiency, addressing both the symptoms and the root causes, diversified solutions" to properly handle customers' feedback. In order to standardize the handling of customer complaints, the Bank has formulated the <Customer Complaint Handling Process> and publicized the complaint methods and handling process in branches, the Bank's website and WeChat to smooth customer complaint channels. In 2022, the Bank received one complaint regarding foreign exchange account management. The Bank adheres to the principle of effective protection of consumers' legitimate rights and interests, continuously optimizes bank services and processes to enhance customer satisfaction.

The Bank always attaches great importance to corporate social responsibility, regards the active fulfillment of corporate social responsibility as an important part of its business activities, pays attention to the long-term value of the bank and customers, and actively promotes the development of green economy. While developing the business, the Bank continues to be enthusiastic about public welfare, encourage staffs to participate in voluntary services and give back to the society.

Part VI Significant Events

The Bank has no material events to disclose in FY2022.

PART VII Bank Network

Location of Bangkok Bank China branches

Bangkok Bank China Head Office

Address: Floor 2 (Zone B&C), Floor 3, Floor 4, No.7 Zhongshan E-1 Road, Huangpu District, Shanghai 200002

Telephone: (86 21) 2329 0100

Fax: (86 21) 2329 0168

Complaint Telephone: (86 21) 2329 0208

Shanghai Branch

Address: Floor 1, Floor 2 (Zone A), No.7 Zhongshan E-1 Road, Huangpu District, Shanghai 200002

Telephone: (86 21) 2329 0100

Fax: (86 21) 2329 0101

Complaint Telephone: (86 21) 2329 0112

Xiamen Branch

Address: Unit 101 & 102, 1/F and Unit 201, 2/F, Xiamen Top Plaza, No.2 Zhenhai Road, Siming District, Xiamen, Fujian Province 361001

Telephone: (86 592) 297 9889

Fax: (86 592) 297 9890

Complaint Telephone: (86 592) 297 9868

Beijing Branch

Address: Floor 1, New China Insurance Tower, No.12A, Jianguomenwai Avenue, Chaoyang District, Beijing 100022

Telephone: (86 10) 6569 0088

Fax: (86 10) 6569 0000

Complaint Telephone: (86 10) 6569 0059

Shenzhen Branch

Address: Floor 1(Unit 12), Floor 2 (Unit 1-4 & 19), Hua Rong Building, No.178 Mintian Road, Futian District, Shenzhen, Guangdong Province 518048

Telephone: (86 755) 3396 5800

Fax: (86 755) 3396 5840

Complaint Telephone: (86 755) 3396 5815

Chongqing Branch

Address: 1F (L104 & L105) and 38F (Unit A), HNA Poly International Plaza, No.235 Minsheng Road, Yuzhong District, Chongqing 400010

Telephone: (86 23) 6037 2300

Fax: (86 23) 6037 2343

Complaint Telephone: (86 23) 6037 2338