

## Mechanism for Nomination of Members of Board of Commissioners and Board of Directors

---

Regeneration and succession of leadership is one of BCA's main concerns in an attempt to ensure solid organizational sustainability. The Remuneration and Nomination Committee (RNC), which is responsible for assisting the Board of the Commissioners in implementing and developing the Company's remuneration and nomination system, has established the mechanism and policy on the nomination of members of the Board of Commissioners and the Board of Directors.

### Duties and Responsibilities of RNC

The duties and responsibilities of the RNC in connection with the Nomination function shall be as follows:

1. Giving recommendations to the Board of Commissioners regarding:
  - a. the composition of the Board of Directors and/or the Board of Commissioners;
  - b. the policy on and criteria for the Nomination process; and
  - c. the policy on performance assessment of members of the Board of Directors and/or the Board of Commissioners.
2. Assisting the Board of Commissioners to assess the performance of the members of the Board of Directors and/or the Board of Commissioners on the basis of the prescribed yardstick by which the assessment will be conducted.
3. Giving recommendations to the Board of Commissioners on the capacity building programs for members of the Board of Directors and/or members of the Board of Commissioners; and
4. Providing the Board of Commissioners with the proposed candidates eligible for membership of the Board of Directors and/or the Board of Commissioners in order to be further put forward in the GMS.

### Mechanism for Nomination

The process of nomination of members of the Board of Commissioners and/or the Board of Directors is as follows:

1. The proposal from a shareholder/a member of the Board of Commissioners/the President Director concerning the nomination of a member of the Board of Commissioners and/or the Board of Directors is submitted to the Board of Commissioners.
2. The Board of Commissioners requests the RNC to hold a discussion on the proposal concerning the nomination of the Board of Commissioners and/or the Board of Directors.
3. The RNC holds a discussion on the relevant proposal in the RNC's meeting. The results of the discussion will be incorporated in the Minutes of the RNC's Meeting. The meeting will consider, among others, the following:
  - a. The reasons and/or considerations in relation to the proposal;
  - b. The candidate's qualifications according to the relevant proposal;
  - c. RNC has taken the following steps, among others:
    - Paying proper regard for external and internal conditions appropriate to direction of bank strategies.
    - Communicating with the controlling shareholder (if the proposal is not from the controlling shareholder).
4. After holding the discussion, the RNC will provide a recommendation to the Board of Commissioners. The recommendation will be given in the form of Decision Letter of the RNC.
5. Based on the RNC's recommendation, the Board of Commissioners decides to propose the candidate for the member of the Board of Commissioners and/or the Board of Directors to the Chairperson of the GMS. Such decision of the Board of Commissioners is incorporated in the Decision Letter of the Board of Commissioners.

6. The Chairperson of the GMS will request for the shareholders' approval as specified on the GMS agenda item regarding the nomination of member(s) of the Board of Commissioners and/or the Board of Directors.
7. If the approval of the GMS is obtained, such approval will be incorporated in the Minutes of the GMS, which form the basis for the fit and proper test to be administered to the candidate for the member of the Board of Commissioners and/or the Board of Directors.
8. BCA can use the services of third parties in order to search candidates for the Board of Commissioners and / or Directors.

#### **Policy on Succession of the Board of Directors**

The duties of the RNC in connection with the succession of the Board of Directors are as follows:

- a. Developing and providing recommendations on the system and procedure for selecting and/or replacing members of the Board of Commissioners and the Board of Directors to the Board of Commissioners in order to be put forward in the GMS.
- b. Providing the Board of Commissioners with recommendations on the candidate(s) for membership of the Board of Commissioners and/or the Board of Directors in order to be put forward in the GMS.
- c. In order to prepare BCA executives to gain complete knowledge and experience as officials at the head office or branch offices, several executives who are considered to have the potential for further development will receive rotations.