

## Corporate Governance Report

Updated : 14 May 2024  
 Company Name : First Private Bank Limited  
 Company Representative : U Myo Min Cho (Deputy Chief Executive Officer & Board Secretary)  
 Contact : 01-376451  
 URL : www.firstprivatebank.com.mm  
 Code : 00004

### I . Fundamental Views on Corporate Governance and Other Key Information

#### 1 . Corporate Attributes

Fiscal Year-End	31st March 2023
Sector Classification	Banking Sector (Services)
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	606 Employees
Revenue	- 16,708.20 (MMK in million)
Profit after Tax	- 3,477.48 (Kyats in million)
Total Assets	- 209,608.91(Kyats in million)
Net Assets (consolidated) for FY 2022-2023	- 73,931.54(Kyats in million)
Number of Consolidated Subsidiaries and Associated Companies as of the End of the Previous Fiscal Year	Subsidiary Company - NO Associated Company – NO

#### 2 . Fundamental Views on Corporate Governance

1. To Implement Robust Governance Structures: Establish clear governance frameworks, including defined roles and responsibilities for the board of directors, senior management, and key committees. Develop and adhere to governance policies and procedures aligned with industry standards and regulatory requirements.
2. To Enhance Board Oversight: Strengthen board oversight functions by promoting independence, diversity, and expertise among board members. Ensure effective board committees are in place to oversee critical areas of the bank's operations.
3. To Promote Transparency and Disclosure: Enhance transparency by implementing comprehensive reporting mechanisms for financial and non-financial performance. stakeholders.
4. To Focus on Risk Management: Integrate strong risk management practices into governance processes. Establish risk appetite frameworks, regular risk assessments, and oversight mechanisms to mitigate operational, financial, and compliance risks.
5. To Prioritize Regulatory Compliance: Ensure compliance with relevant laws, regulations, and guidelines. Regularly assess compliance risks and update policies and procedures accordingly. Foster a culture of compliance throughout the organization.

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6. To Strengthen Internal Controls: Implement robust internal control systems to safeguard assets, prevent fraud, and ensure accuracy in financial reporting. Conduct periodic internal audits to assess control effectiveness.
7. To Engage Stakeholders: Foster constructive relationships with shareholders, employees, customers, suppliers, community and regulators. Encourage stakeholder engagement and feedback to inform governance practices and enhance organizational decision-making.
8. To Promote Ethical Conduct: Uphold high ethical standards across the organization. Establish codes of conduct and ethics policies to guide employee behavior and decision-making.

### 3. Status of Major Shareholders (As of the End of the Previous Fiscal Year)

	Name	Attributes (director, employee, institutional investor, etc.)	Nationality	Number of shares held	Shareholding ratio (%)
1	U Aung Moe Kyaw	Investor	Myanmar	1,952,960	6.58%
2	Daw Mar Mar Tun	Investor	Myanmar	1,075,380	3.63%
3	Daw Shwe Sin	Investor	Myanmar	1,018,848	3.43%
4	U Maung Maung Thein	Investor	Myanmar	776,052	2.62%
5	U Nay Lynn Oo	Advisor Of BOD	Myanmar	757,920	2.56%
6	U Tun Win Naing	Investor	Myanmar	583,512	1.97%
7	Dr. Aung Min	Employee	Myanmar	492,108	1.66%
8	U Lee Gee Gyne	Investor	Myanmar	477,456	1.61%
9	U Aung Kyaw Zaw	Investor	Myanmar	429,188	1.45%
10	U Khin Maung Phay	Investor	Myanmar	360,000	1.21%

(Note) Total issued shares: shares 29,664,613

### 4. Policy on Foreigner Ownership

Foreign Shareholding Ratio (As of the End of the Previous Fiscal Year)	No
Foreign Shareholding Limit Determined by the Company	35%
Reasons for setting the above Foreign Shareholding Limit and a future policy on foreigner ownership	FPB allows only foreign institutional investors.

### 5. Policy on Dividends

FPB's dividend policy aims to provide shareholders with stable and predictable returns while adhering to regulatory guidelines set forth by the Central Bank of Myanmar (CBM). Dividends will be determined based on sustainable earnings and cash flow, ensuring compliance with CBM capital adequacy requirements and sufficient

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reinvestment for future expansion. We will consider prevailing market conditions, investor expectations, and the bank's profitability when setting dividend levels, with a commitment to transparent communication and board oversight. Dividend payments will be made regularly, balancing shareholder interests with the need to preserve capital adequacy ratios and support long-term value creation. This policy will be reviewed periodically to align with evolving business goals, market dynamics, and CBM regulations, ensuring that dividends contribute to sustained shareholder value and the overall stability of our institution. The dividend policy of the FPB is formulated in accordance with the instruction No. (5/2017) dated 7.3.2017 from the Central Bank of Myanmar. Issues relating to the determination and payment of dividend shall be subject to this instruction.

Dividends per share in each Fiscal Year

Sr. No	Fiscal Year	Dividend Per Share in MMK	Remarks
1	FY 2018-2019	2500.00	
2	FY 2017-2018	2000.00	
3	FY 2016-2017	2000.00	
4	FY 2015-2016	2005.32	
5	FY 2014-2015	2196.82	
6	FY 2013-2014	2306.30	
7	FY 2012-2013	2690.38	
8	FY 2011-2012	2499.19	
9	FY 2010-2011	2385.81	
10	FY 2009-2010	2745.33	
11	FY 2008-2009	3160.26	
12	FY 2007-2008	3107.14	
13	FY 2006-2007	2867.52	
14	FY 2005-2006	2777.70	
15	FY 2004-2005	2261.86	
16	FY 2003-2004	1333.44	
17	FY 2002-2003	1234.28	
18	FY 2001-2002	1233.46	
19	FY 2000-2001	1210.24	
20	FY 1999-2000	1082.81	
21	FY 1998-1999	1565.28	
22	FY 1997-1998	1503.10	
23	FY 1996-1997	1098.40	
24	FY 1995-1996	1065.04	
25	FY 1994-1995	507.72	
26	FY 1993-1994	300.00	

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## II. Status of Corporate Governance Systems

### 1. Composition of Corporate Governance Structure

( 1 ) The composition of our corporate governance structure within the First Private Bank reflects our dedication to robust oversight and strategic decision-making. First Private Bank established Board Committees to enhance governance, oversight, and strategic direction. By delegating specific responsibilities to specialized committees, the board ensures comprehensive oversight, informed decision-making, and alignment with the bank's strategic goals and regulatory requirements.

First Private Bank has established following Board Committees;

- (a) Credit Committee
- (b) Risk Management Committee
- (c) Assets and Liabilities Committee
- (d) Remuneration Committee
- (e) IT Steering Committee
- (f) Audit Committee
- (g) Board Executive Committee

The Credit Committee is instrumental in ensuring responsible lending practices and risk assessment, helping us maintain a healthy loan portfolio while effectively managing credit risks.

The Risk Management Committee plays a pivotal role in identifying, evaluating, and mitigating various risks encountered by our Bank, fostering a culture of risk awareness and proactive risk management.

The Assets and Liabilities Committee oversees the management of our balance sheet, ensuring optimal asset allocation, liquidity management, and funding strategies to support our Bank's financial stability and growth objectives.

The Remuneration Committee is focused on maintaining fair and competitive compensation practices, aligning executive remuneration with performance and shareholder interests.

The IT Steering Committee drives technology initiatives and governance, supporting innovation and cybersecurity measures to enhance operational efficiency and customer experience.

The Audit Committee provides independent oversight of financial reporting, internal controls, and compliance, ensuring transparency and accountability in our Bank's financial operations.

The Board Executive Committee, comprising key executives and directors, is responsible for strategic decision-making and governance oversight, particularly in urgent matters when Board meetings are held monthly. This committee supports and monitors the Management Team of the Bank on behalf of the Board of Directors, ensuring timely and effective responses to critical issues and alignment with the overall strategic direction of the Bank. Together, these committees and structures reinforce our commitment to sound corporate governance

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practices, enabling us to navigate challenges and capitalize on opportunities effectively in today's dynamic banking landscape.

First Private Bank has established a senior management team that will operate and implement the business plans in accordance with the board's guidelines.

### (2) Reasons for Adoption of Current Corporate Governance Structure

As FPB is a publicly listed company, it is dedicated to upholding exemplary standards of corporate governance characterized by accountability, transparency, and adherence to rigorous ethical standards. The bank prioritizes the interests of all stakeholders, including customers, shareholders, employees, suppliers, regulatory bodies, and the broader community. Through transparent reporting, effective risk management, and independent oversight, the bank ensures accountability in decision-making processes. Ethical conduct is ingrained in the bank's culture, with clear guidelines and policies to guide interactions with stakeholders and the public. By fostering a governance framework centered on integrity and compliance, First Private Bank strives to generate sustainable value and mutual benefit for all stakeholders, thus fostering trust and long-term relationships within the financial community.

### 2. Information of Directors

Sr.No	Position (Independent Director, Executive Director)	Name	Number of Shares Held	Date of Birth
1	Chairman & Non- Executive Director	U Kyaw Tin	11,200	06/11/1953
2	Executive Director	Daw Hla Hla Win	87,120	15/08/1955
3	Non-Executive Director	U Myo Tun	167,040	22/12/1955
4	Non-Executive Director	Dr. Tin Win	54,610	06/11/1962
5	Non-Executive Director	U Myint Lwin	150,072	12/06/1946
6	Non-Executive Director	Daw Hla Hla Yi	64,668	26/11/1956
7	Non-Executive Director	U Htin Aung Kyaw Oo	66,000	08/03/1975
8	Non-Executive Director	U Thein Myint	12,000	29/03/1967
9	Non-Executive Director	U Thein Lwin	11,200	11/08/1960
10	Non-Executive Director	U La San	60,000	05/03/1975
11	Independent Director	U Thet Swe	1,200	22/05/1964
12	Independent Director	Dr. Lae Lae Win	1,419	01/07/1975
13	Chief Executive Officer	U Myint Zaw	19,212	19/01/1956

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Please see the profiles of the directors in the following links:

Sr.No	Position (Independent Director, Executive Director)	Name	Director Profile Link
1	Chairman & Non-Executive Director	U Kyaw Tin	<a href="https://www.firstprivatebank.com.mm/?bod_members=u-kyaw-tin">https://www.firstprivatebank.com.mm/?bod_members=u-kyaw-tin</a>
2	Executive Director	Daw Hla Hla Win	<a href="https://www.firstprivatebank.com.mm/?bod_members=daw-hla-hla-win">https://www.firstprivatebank.com.mm/?bod_members=daw-hla-hla-win</a>
3	Non-Executive Director	U Myo Tun	<a href="https://www.firstprivatebank.com.mm/?bod_members=u-myo-tun">https://www.firstprivatebank.com.mm/?bod_members=u-myo-tun</a>
4	Non-Executive Director	Dr. Tin Win	Passed away on 30.5.2023
5	Non-Executive Director	U Myint Lwin	Passed away on 05.01.2024
6	Non-Executive Director	Daw Hla Hla Yi	<a href="https://www.firstprivatebank.com.mm/?bod_members=daw-hla-hla-yi">https://www.firstprivatebank.com.mm/?bod_members=daw-hla-hla-yi</a>
7	Non-Executive Director	U Htin Aung Kyaw Oo	<a href="https://www.firstprivatebank.com.mm/?bod_members=u-htin-aung-kyaw-oo">https://www.firstprivatebank.com.mm/?bod_members=u-htin-aung-kyaw-oo</a>
8	Non-Executive Director	U Thein Myint	<a href="https://www.firstprivatebank.com.mm/?bod_members=u-thein-myint">https://www.firstprivatebank.com.mm/?bod_members=u-thein-myint</a>
9	Non-Executive Director	U Thein Lwin	<a href="https://www.firstprivatebank.com.mm/?bod_members=u-thein-lwin">https://www.firstprivatebank.com.mm/?bod_members=u-thein-lwin</a>
10	Non-Executive Director	U La San	<a href="https://www.firstprivatebank.com.mm/?bod_members=u-la-san">https://www.firstprivatebank.com.mm/?bod_members=u-la-san</a>
11	Independent Director	U Thet Swe	<a href="https://www.firstprivatebank.com.mm/?bod_members=u-thet-swe">https://www.firstprivatebank.com.mm/?bod_members=u-thet-swe</a>
12	Independent Director	Dr. Lae Lae Win	<a href="https://www.firstprivatebank.com.mm/?bod_members=dr-le-le-win">https://www.firstprivatebank.com.mm/?bod_members=dr-le-le-win</a>

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13	Chief Executive Officer	U Myint Zaw	Retired on 01.07.2023
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The following directors have concurrent positions in the board of directors of other companies.

Sr. No.	Position (Independent Director, Executive Officer)	Name	Concurrent positions and companies
1.	Chairman & Non- Executive Director	U Kyaw Tin	Managing Partner & Owner—Kyaw & Kyaw Certified Public Accounting
2.	Non-Executive Director	U Thein Lwin	Director & CEO --Value Growth Consulting Ltd.
3.	Non-Executive Director	U Hla San	Managing Director— “Manaw A hla” Construction Company Ltd.

### 3. Information of Members of Specialized Committees

#### (Credit Committee)

Role in Committee	Name	Position
Chairman	U Kyaw Tin	Chairman & Non- Executive Director
Member	Daw Hla Hla Win	Executive Director
Member	U Myo Tun	Non-Executive Director
Member	Dr. Tin Win	Non-Executive Director
Member	U Myint Lwin	Non-Executive Director
Member	Daw Hla Hla Yi	Non-Executive Director
Member	U Htin Aung Kyaw Oo	Non-Executive Director
Member	U Thein Myint	Non-Executive Director
Member	U Thein Lwin	Non-Executive Director
Member	U La San	Non-Executive Director
Member	U Thet Swe	Independent Director
Member	Dr. Lae Lae Win	Independent Director
Member	U Myint Zaw	Chief Executive Officer

#### (Risk Management Committee)

Role in Committee	Name	Position
Chairman	U Thein Lwin	Non- Executive Director
Member	U Thet Swe	Independent Director
Member	Dr. Lae Lae Win	Independent Director

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### (Assets and Liabilities Committee)

Role in Committee	Name	Position
Chairman	U Thein Lwin	Non- Executive Director
Member	Daw Hla Hla Win	Executive Director
Member	U Htin Aung Kyaw Oo	Non- Executive Director
Member	Dr. Lae Lae Win	Independent Director
Member	U Myint Zaw	Chief Executive Officer

### (Remuneration Committee)

Role in Committee	Name	Position
Chairman	U Myint Lwin	Non- Executive Director
Member	U Myo tun	Non- Executive Director
Member	Daw Hla Hla Yi	Non- Executive Director
Member	U Thet Swe	Independent Director
Member	Dr. Lae Lae Win	Independent Director

### (IT Steering Committee)

Role in Committee	Name	Position
Chairman	U Thein Lwin	Non- Executive Director
Member	U Kyaw Tin	Charman & Non- Executive Director
Member	Daw Hla Hla Win	Executive Director
Member	U Htin Aung Kyaw Oo	Non- Executive Director
Member	U Thein Myint	Non- Executive Director
Member	U La San	Non- Executive Director

### (Audit Committee)

Role in Committee	Name	Position
Chairman	U Thet Swe	Independent Director
Member	Daw Hla Hla Win	Executive Director
Member	U Thein Lwin	Non- Executive Director



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### (Board Executive Committee)

Role in Committee	Name	Position
Chairman	U Kyaw Tin	Charman & Non-Executive Director
Member	U Thein Lwin	Non- Executive Director
Member	Daw Hla Hla Win	Executive Director
Member	U Thet Swe	Independent Director

#### 4. Information of Meetings of the Board and Specialized Committees

##### (1) The number of meetings of the Board and specialized committees in FY 2022-2023

Meetings of the Board	13 times
Credit Committee	32 times
Risk Management Committee	1times
Assets and Liabilities Committee	1times
Remuneration Committee	8 times
IT Steering Committee	48 times
Audit Committee	4 times
Board Executive Committee	8 times

##### (2) Attendance at meetings of the Board and specialized committees in the previous fiscal year:

Position (Independent Director, Executive Officer)	Name	Attendance (“—” means the director doesn’t belong to the committee.)							
		BOD	CC	RMC	ALC	RC	IT	AC	BEC
Chairman & Non-Executive Director	U Kyaw Tin*	4/13 31%	6/27 22%	—			12/48 25%		8/8 100%
Executive Director	Daw Hla Hla Win	13/13 100%	27/27 100%		1/1 100%		48/48 100%	4/4 100%	8/8 100%
Non-Executive Director	U Myo Tun	12/13 92%	26/27 96%			8/8 100%			
Non-Executive Director	Dr. Tin Win**	9/13 69%	21/27 78%						
Non-Executive Director	U Myint Lwin***	8/13 62%	25/27 93%			8/8 100%			
Non-Executive Director	Daw Hla Hla Yi	13/13 100%	26/27 96%			7/8 88%			
Non-Executive Director	U Htin Aung Kyaw Oo	13/13 100%	19/27 70%		1/1 100%		28/48 58%		
Non-Executive Director	U Thein Myint	10/13 77%	18/27 67%				20/48 42%		
Non-Executive	U Thein Lwin	13/13	22/27	1/1	1/1		48/48	4/4	8/8

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Director		100%	81%	100%	100%		100%	100%	100%
Non-Executive Director	U La San	13/13 100%	19/27 70%				30/48 63%		
Independent Director	U Thet Swe*	4/13 31%	8/27 30%	1/1 100%		3/8 34%		4/4 100%	8/8 100%
Independent Director	Dr. Lae Lae Win*	4/13 31%	6/27 22%	1/1 100%	1/1 100%	3/8 34%			
Chief Executive Officer	U Myint Zaw	7/13 54%	25/27 93%		1/1 100%				

**Note:** \* Elected as members of Board of Directors on 18 December 2022 (BOD Special Meeting 1/2022-23)

\*\* Passed away on 31 May 2023

\*\*\* Passed away on 5 January 2024

### 5. Process for the Selection, Appointment and Re-appointment of New Directors (if any)

• FPB's director selection process follows a transparent and inclusive approach in accordance with the Fit and Proper guidelines set by the Central Bank of Myanmar (CBM). We issue announcements inviting interested Director Candidates, including Independent Director Candidates for vacant positions, to apply based on specified criteria. Once applications are received, the director election is conducted through online voting by our shareholders under the supervision of the Director Election Supervision Committee one week before the Annual General Meeting (AGM). Following the voting process, the list of elected directors is announced during our AGM and subsequently approved by shareholders. This process ensures that our board composition reflects the expertise, integrity, and strategic vision necessary to guide our bank's governance and long-term success. We have 5 new directors appointed, including the replacement of 2 independent directors.

### 6. Remuneration of Directors, etc.

#### (1) Remuneration policies and procedure for setting remuneration, if any

The Remuneration Committee operates in accordance with its charter.

#### (2) Outline of Remuneration

Remuneration of Directors for the previous fiscal year

Total Amount	196.8 MMK (Kyats in million)
Base / Fixed Salary	196.8 MMK (Kyats in million)
Variable or Performance-related Income	-
Benefits in Kind	-
Stock Options	-
Number of Directors	12

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### III. Implementation of Measures for Shareholders

#### 1. Status of efforts to facilitate the exercise of voting rights by shareholders

First Private Bank holds its Annual General Meeting (AGM) every year in accordance with Myanmar Companies Laws, its constitution, and regulations from DICA (Directorate of Investment and Company Administration), SECM (Securities and Exchange Commission of Myanmar), and YSX (Yangon Stock Exchange). Invitations and announcements are disseminated through various media platforms, including the First Private Bank website, Facebook, the YSX website, and local newspapers.

#### 2. Status of IR Activities

We conduct First Private Bank's Annual General Meeting (AGM) annually and participate in YSX Expo events, seminars, and press releases. Additionally, we organize special event, such as the celebration for the 30th Anniversary of First Private Bank (FPB) during this fiscal year, and ensure transparent disclosure of information through our FPB's website, Facebook page, and the YSX website.

### IV. Status of Internal Control System

#### 1. Basic Policy on Internal Control System

FPB has an Audit Committee and a Risk Management Committee to implement internal control measures such as preventive, detective, and corrective controls. The Internal Audit Team operates under the guidelines of the Audit Committee and regularly reports to the Board of Directors.

#### 2. Status of Constructing Internal Control System

We have reviewed and revised existing HR and Finance policies and procedures to align with best practices in internal controls. Additionally, we have implemented new policies and procedures to better safeguard bank assets and improve the control environment within the bank. We plan to strengthen the Internal Control System in the coming year by implementing new policies and procedures, enhancing segregation of duties and delegation of duties, and improving Internal Audit activities, including regular audits and surprise audits.

### V. Related Party Transaction

#### 1. Related Party Transaction Policy

As a Public Listed Commercial Bank, FPB prioritize transparency, integrity, and regulatory compliance by implementing robust related party practices and policies. Our guidelines clearly define related parties, including directors, officers, significant shareholders, and their family members. We have stringent procedures in place for disclosing related party transactions, such as loans, guarantees to prevent conflicts of interest and ensure compliance with regulatory requirements. Moreover, we enforce controls to monitor and report related party transactions, ensuring adhere to regulatory standards.

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### 2. Outline of Related Party Transactions

Related Party Transactions in the 2022-2023FY

02 Apr 2022 to 31 Mar 2023

Name of related party	Attributes of related party	Voting right ratio	Contents of transaction with related party (Note 1)	Trading amount (MMK) / Ratio to Total Assets (%)	Item	Balance at the end of FY (MMK) / Ratio to Total Assets (%)
Daw Hla Hla Win	Director of FPB	0.22%	120 mil (Loan)	0.06%	2	0.06%
U Maung Lu	Director of FPB	0.22%	400 mil (Loan)	0.19%	2	0.19%
U Soe Lwin Daw Khin Thet Mar	Director of FPB	0.29%	300 mil (Loan)	0.14%	1	0.09%
Daw Myint Myint Thein	Director of FPB	0.04%	300 mil (Loan)	0.14%	1	0.14%
Daw Mya Thet Chel	Director of FPB	0.04%	500 mil (Loan)	0.24%	2	0.23%
Daw Nu Nu (son) U Nyo Nyo Aung	Director of FPB	0.56%	300 mil (Loan)	0.14%	1	0.11%
Daw Aye Aye Nyein	Director of FPB	0.22%	1300 mil (Loan)	0.62%	3	0.33%
U Aung Soe Thein, U Nyunt Oo	Director of FPB	0.22%	750 mil (Loan)	0.36%	3	0.15%
Daw Khaung Naw	Director of FPB	0.20%	150 mil (Loan)	0.07%	1	0.04%

- End