



KBZ BANK
STRENGTH OF MYANMAR

DIRECTOR ORIENTATION & CONTINUING
EDUCATION PROGRAM POLICY
LEGAL & COMPLIANCE

DIRECTOR ORIENTATION & CONTINUING EDUCATION PROGRAM POLICY

Kanbawza Bank Limited (“**KBZ Bank**”) believes that in order to help directors acquire, maintain and enhance their knowledge and skills, and fulfil their responsibilities, directors should ensure that members participate in induction programmes and have access to ongoing training on relevant issues which may involve internal or external resources. Directors should dedicate sufficient time, budget and other resources for this purpose, and draw on external expertise as needed. More extensive efforts should be made to train and keep updated those members with more limited financial, regulatory or risk-related experience.

Based on the Directive issued by the Central Bank of Myanmar, provides that all directors shall undergo necessary training every 2 years to enable them to fulfill the duties effectively and KBZ Bank shall comply this Directive.

1. Purpose

The purpose of this policy is to formalize the orientation process of newly appointed directors to familiarize them with the role of the Bank’s Board of Directors, its committees and charters, the Bank’s business activities, the industry and regulatory environment. On continuing education, the policy also specifies the elements of the program that will be made available for the continued development of the Board.

2. Responsibility

The relevant Departments, in coordination with Learning and Development Department, Legal & Compliance Department and the Corporate Governance Office, is responsible for the implementation of the orientation program of new directors and continuing education of the Board.

3. Coverage - Orientation Program for New Directors

The formal program consists of meetings with the Chairman and Legal and Compliance & Corporate Secretary to be briefed on the roles and responsibilities of the Board of Directors and the corporate governance framework of the Bank. A series of orientation sessions with key senior management executives will also be provided to discuss the core business activities and operations of the Bank including industry and regulatory briefings. The Relevant Department will welcome the new directors initially complete a phone call and a letter will follow containing an information kit that includes the following:

- Corporate powers and limitations
- Board Structure and Composition, Board mandate, Board Committees and Charters
- Code of Conduct and other relevant policies adopted by the Board
- Directors’ and Officers’ Liability Insurance Coverage
- Schedule of Upcoming Board and Committee Meetings
- Annual Calendar of the Board

- Annual Reports
- Regulatory Disclosures
- Overview of the Bank's business and local banking industry

4. Continuing Education Program

The Continuing Education Program for directors shall include both internal or external resources and shall cover as follows:

- Overview of Corporate Governance, governance of risk management and governance issues
- Board's roles and responsibilities may include the best practices on how to create effective boards of directors, board's role vs. management, board's role in strategy and company oversight, etc.
- Legal environment for directors, banking regulations and significant banking legislations
- Internal controls and audits may include overview of corporate finance, financial statement analysis, etc.
- Cybersecurity and advice on growing the bank
- Bank's role in the economy, risk and the economics of banking
- Risk management and measurement
- Red flags (material issues) of the bank, enforcement actions and compliance
- Succession plan of the Bank

Regular reviews of this Policy are conducted by our Board to ensure they remain timely and relevant. Our most recent review was done in BOD meeting and approved by the Board on 25 August 2020.