

Part 2: Management and Corporate Governance

7. Information on Securities and Shareholders

7.1 Number of Registered Capital and Paid-up Capital

7.1.1 The Company has the registered capital of Baht 8,000 Million, comprising 800 million ordinary shares at the par value of Baht 10 per share, Baht 7,700 Million of which has already been paid up, divided into 770 million ordinary shares at the par value of Baht 10 per share.

7.1.2 As at 27 December 2013, the Company's 75,079,326 ordinary shares were used as underlying securities for issuance of Non-Voting Depositary Receipt or NVDR, representing 9.75 percent of all shares in the Company. Such shares entitle their holders to receive dividends from investment in NVDR in the same amount as such dividend received by Thai NVDR Company Limited from the Company, provided that NVDR holders shall not be entitled to vote at any shareholders' meeting of the Company. Investors may check the number of NVDR from the Stock Exchange of Thailand's website at www.set.or.th/nvdr.

7.2 Shareholders

7.2.1 List of Major Shareholders

As at 12 September 2013, which is the latest date the share register book was closed, the major shareholders were as follows:

Shareholders	Shareholding	
	Number of Shares	% of total number of shares
1. CH. Karnchang Group	127,920,690	16.61
- CH. Karnchang Public Company Limited	116,669,550	15.15
- CH. Karnchang-Tokyu Construction Company Limited	11,251,140	1.46
2. Thai NVDR Company Limited	71,555,363	9.29
3. BNY MELLON NOMINEES LIMITED	56,556,600	7.35
4. Bangkok Bank Public Company Limited	55,295,390	7.18
5. Krung Thai Bank Public Company Limited	38,500,550	5.00
6. Bangkok Life Assurance Public Company Limited	35,458,500	4.61
7. STATE STREET BANK EUROPE LIMITED	20,122,729	2.61
8. STATE STREET BANK AND TRUST COMPANY	16,109,685	2.09
9. HSBC (SINGAPORE) NOMINEES PTE LTD	12,193,900	1.58
10. Mr. Min Tieworn	11,600,000	1.51
11. United Overseas Bank (Thai) Public Company Limited	11,391,470	1.48
12. THE BANK OF NEW YORK MELLON	10,968,700	1.42
13. Social Security Office	9,449,700	1.23
14. AIA Company Limited- AIA D-PLUS	9,135,000	1.19
15. CHASE NOMINEES LIMITED	7,628,100	0.99
16. AIA Company Limited-APEX	7,405,700	0.96
17. NORBAX INC., 21	6,547,000	0.85
18. THE BANK OF NEW YORK (NOMINEES) LIMITED	6,142,705	0.80

Shareholders	Shareholding	
	Number of Shares	% of total number of shares
19. EAST FOURTEEN LIMITED-DIMENSIONAL EMER MKTS VALUE FD	5,326,500	0.69
20. Mr. Chuwit Chitsakul	5,260,000	0.68
21. TOKYU CONSTRUCTION COMPANY LIMITED	4,551,150	0.59
22. ING Thai Value Focus Equity-Dividend Fund	4,356,100	0.57
23. NORTRUST NOMINEES LTD.	4,143,800	0.54
Total	537,619,332	69.82
Others	232,380,668	30.18
Grand Total	770,000,000	100.00

Remark : The Stock Exchange of Thailand's disclosure on www.set.or.th for shareholders with more than 0.5 percent shareholding.

7.3 Issuance of Other Securities

7.3.1 Long-Term Loans

As at 31 December 2013, the Company has long-term loans under the existing Credit Facility Agreement in the amount of Baht 810 Million, at the fixed interest rate of 4.00 percent per annum. The repayment of the principal is scheduled to be made every month and such repayment shall be made in full by July 2014. The long-term loans for the Si Rat-Outer Ring Road Expressway Project amounts to Baht 400 Million, at the interest rate of MLR-2.525 percent and 6M FDR+2 percent per annum.

7.3.2 Debentures

In 2013, the Company issued additional debentures in March 2013, comprising debentures in the amount of Baht 3,000 Million, with a maturity of 3 years at the fixed interest rate of 3.60 percent per annum; debentures in the amount of Baht 2,000 Million, with a maturity of 5 years at the fixed interest rate of 4.03 percent per annum; and debentures in the amount of Baht 1,000 Million, with a maturity of 7 years at the fixed interest rate of 4.36 percent per annum. The proceeds from the issuance of such debentures shall be used for repayment of the existing debentures due in 2013 and payment of the construction costs under the Project Management Agreement for the Si Rat - Outer Ring Road Expressway Project. In November 2013, the Company issued debentures in the amount of Baht 1,000 Million, with a maturity of 5 years at the fixed interest rate of 4.70 percent per annum, for payment of the construction costs under the Project Management Agreement for the Si Rat - Outer Ring Road Expressway Project. As at 31 December 2013, the Company has the outstanding debentures in the amount of Baht 18,100 Million, as per the following details:

Details of Debentures	Debentures No. 1/2007 Series 3	Debentures No. 3/2009
Debenture Symbol	BECL148A	BECL155A
Total Value of Debentures	Baht 1,700 Million	Baht 2,000 Million
Type of Debentures	Unsubordinated and unsecured debentures bearing names of the holders with a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative
Number of Debentures	1,700,000 units	2,000,000 units
Par Value per Unit	Baht 1,000	Baht 1,000
Interest Rate per annum	5.20%	MLR - 3.00%
Maturity	7 years	5 years 5 months 2 days
Issue Date of Debentures	2 August 2007	28 December 2009
Maturity Date	2 August 2014	30 May 2015
Registrar	KBANK	SCB
Early Redemption Right	-None-	
Repayment of Principal	The issuer of debentures shall make a repayment of the principal in full on the Maturity Date.	
Rating	A	A

Debentures (continued)

Details of Debentures	Debentures No. 3/2010	Debentures No. 1/2011 Series 1
Debenture Symbol	BECL173A	BECL144A
Total Value of Debentures	Baht 1,500 Million	Baht 1,000 Million
Type of Debentures	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative
Number of Debentures	1,500,000 units	1,000,000 units
Par Value per Unit	Baht 1,000	Baht 1,000
Interest Rate per annum	6m FDR + 1.65%	3.70%
Maturity	7 years	3 years
Issue Date of Debentures	31 March 2010	29 April 2011
Maturity Date	31 March 2017	29 April 2014
Registrar	SCB	TMB
Early Redemption Right	-None-	
Repayment of Principal	The issuer of debentures shall make a repayment of the principal in full on the Maturity Date.	
Rating	A	A

Debentures (continued)

Details of Debentures	Debentures No. 1/2011 Series 2	Debentures No. 2/2011	Debentures No. 1/2012	Debentures No. 2/2012
Debenture Symbol	BECL214A	BECL18DA	BECL153A	BECL160A
Total Value of Debentures	Baht 1,000 Million	Baht 900 Million	Baht 1,000 Million	Baht 2,000 Million
Type of Debentures	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative
Number of Debentures	1,000,000 units	900,000 units	1,000,000 units	2,000,000 units
Par Value per Unit	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Interest Rate per annum	4.72%	4.60%	4.12%	4.08%
Maturity	10 years	7 years	3 years	4 years
Issue Date of Debentures	29 April 2011	29 December 2011	28 March 2012	10 October 2012
Maturity Date	29 April 2021	29 December 2018	28 March 2015	10 October 2016
Registrar	TMB	TMB	SCB	TMB
Early Redemption Right	-None-			
Repayment of Principal	The issuer of debentures shall make a repayment of the principal in full on the Maturity Date.			
Rating	A	A	A	A

Debentures (continued)

Details of Debentures	Debentures No. 1/2013 Series 1	Debentures No. 1/2013 Series 2	Debentures No. 1/2013 Series 3	Debentures No. 2/2013
Debenture Symbol	BECL163A	BECL183A	BECL203A	BECL163B
Total Value of Debentures	Baht 2,000 Million	Baht 2,000 Million	Baht 1,000 Million	Baht 1,000 Million
Type of Debentures	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative	Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative
Number of Debentures	2,000,000 units	2,000,000 units	1,000,000 units	1,000,000 units
Par Value per Unit	Baht 1,000	Baht 1,000	Baht 1,000	Baht 1,000
Interest Rate per annum	3.60%	4.03%	4.36%	3.60%
Maturity	3 years	5 years	7 years	3 years
Issue Date of Debentures	6 March 2013	6 March 2013	6 March 2013	12 March 2013
Maturity Date	6 March 2016	6 March 2018	6 March 2020	12 March 2016
Registrar	TMB	TMB	TMB	TMB
Early Redemption Right	-None-			
Repayment of Principal	The issuer of debentures shall make a repayment of the principal in full on the Maturity Date.			
Rating	A	A	A	A

Debtentures (continued)

Details of Debtentures	Debtentures No. 3/2013
Debtenture Symbol	BECL18NA
Total Value of Debtentures	Baht 1,000 Million
Type of Debtentures	Unsubordinated and unsecured debtentures bearing names of the holders without a debtenture holder representative
Number of Debtentures	1,000,000 units
Par Value per Unit	Baht 1,000
Interest Rate per annum	4.70%
Maturity	5 years
Issue Date of Debtentures	7 November 2013
Maturity Date	7 November 2018
Registrar	TMB
Early Redemption Right	-None-
Repayment of Principal	The issuer of debtentures shall make a repayment of the principal in full on the Maturity Date.
Rating	A

7.4 Policy on Dividend Payment

The Company has a policy to pay dividend at not less than 40 percent of the net profit of each year, taking into account the operational results, financial structure and obligations, investment, as well as regular payment of dividend to shareholders.

In this regard, the Board of Directors may pay interim dividend to shareholders when it is of the view that the Company has sufficient profit and cash flow to pay dividend. Once the dividend payment has been made, such dividend payment shall be reported to the following shareholders' meeting.

Pursuant to the conditions of the Credit Facility Agreement, the Company is able to pay dividend to shareholders in the case that its debt service coverage ratio or DSCR on the date of dividend payment is not less than 1.20 and shall not be less than 1.0 after the dividend payment.

The Company's dividend payments during the past five years are as follows:

Dividend from Operations	Dividend Declared (Million Baht)	Dividend per share (Baht)	Net Profit (Million Baht)		Percentage of Dividend to Net Profit	
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements
2009						
- First half	424	0.55	881	965	48	44
- Second half	539	0.70	821	610	66	88
Total in 2009	963	1.25	1,702	1,575	57	61
2010						
- First half	424	0.55	823	881	51	48
- Second half	577	0.75	980	1,020	59	57
Total in 2010	1,001	1.30	1,803	1,901	56	53
2011						
- First half	462	0.60	794	812	58	57
- Second half	539	0.70	614	568	88	95
Total in 2011	1,001	1.30	1,408	1,380	71	73
2012						
- First half	477	0.62	1,466	1,993	33	24
- Second half	678	0.88	794	724	86	94
Total in 2012	1,155	1.50	2,260 ⁽¹⁾	2,717 ⁽²⁾	51	43
2013						
- First half	539	0.70	3,714	905	15	60
- Second half	693 ⁽⁴⁾	0.90 ⁽⁴⁾	1,121	932	62	74
Total in 2013	1,232	1.60	4,835 ⁽³⁾	1,837	25	67

- Remarks:**
- (1) This is divided into normal operating profit amounting to Baht 1,484 Million and gain on sales of investment in SouthEast Asia Energy Limited, net of tax, amounting to Baht 776 Million.
 - (2) This is divided into normal operating profit amounting to Baht 1,445 Million and gain on sales of investment in SouthEast Asia Energy Limited, net of tax, amounting to Baht 1,272 Million.
 - (3) This is divided into normal operating profit amounting to Baht 2,027 Million and gain on fair value adjustment of investment from changing status of investments in Thai Tap Water Supply Public Company Limited in the amount of Baht 2,808 Million.
 - (4) This is included in the Agenda for the 2014 Annual Ordinary General Meeting of Shareholders on 23 April 2014.

Northern Bangkok Expressway Company Limited, as its Subsidiary, does not have a policy on dividend payment other than that specified in Article 40 of the Articles of Association which specifies that the company must appropriate to a reserve fund, at each dividend payment, at least one-twentieth (1/20) of the profits, until the reserve fund reaches one-tenth (1/10) of the capital of the company. The board of directors may from time to time pay to the shareholders such interim dividends as it appears to the board of directors that the company has sufficient profits to do so. If the company has encountered a loss, no dividend shall be paid until such loss has been made good.

8. Management Structure

The Company's management structure comprises the Board of Directors and another four subcommittees, namely, the Audit Committee, the Executive Board, the Nomination and Remuneration Committee, and the Corporate Governance and Risk Management Committee.

The structure of the Board of Directors consists of 12 qualified members, comprising: five executive directors, four independent directors and three non-executive directors, constituting a counterbalance from non-executive directors. In this regard, the Company has four independent directors, which represent one-third of all directors.

The lists of names of the Board of Directors and the four subcommittees and executives are described as follows:

8.1 Board of Directors

The Board of Directors has 12 directors, whose names, as at 31 December 2013, are listed below:

Name-Surname	Position	Category	Number of Years of Directorship	Attendances/ Number of Board of Directors' Meetings
1. Dr. Virabongsa Ramangkura	Chairman of the Board of Directors	Independent Director	19	4/4
2. Prof. Suphachai Phisitvanich	Director Audit Committee Chairman Chairman of the Corporate Governance and Risk Management Committee	Independent Director	19	4/4
3. Gen. Sampao Choosri	Director Audit Committee Member Chairman of the Nomination and Remuneration Committee Corporate Governance and Risk Management Committee Member	Independent Director	9	4/4
4. Dr. Annop Tanlamai	Director Audit Committee Member Nomination and Remuneration Committee Member Corporate Governance and Risk Management Committee Member	Independent Director	2	4/4

Name-Surname	Position	Category	Number of Years of Directorship	Attendances/ Number of Board of Directors' Meetings
5. Mr. Plew Trivisvavet	Director Chairman of the Executive Board Nomination and Remuneration Committee Member	Executive Director	19	4/4
6. Mr. Supong Chayutsahakij	Director Vice Chairman of the Executive Board Nomination and Remuneration Committee Member Corporate Governance and Risk Management Committee Member	Executive Director	19	4/4
7. M.L. Prasobchai Kasemsant	Director Executive Director	Executive Director	19	4/4
8. Mr. Panit Dunnvatanachit	Director	Non-Executive Director	10	4/4
9. Miss Arisara Dharamadhaj	Director	Non-Executive Director	7	4/4
10. Mrs. Vallapa Assakul	Director Executive Director	Executive Director	3	4/4
11. Mr. Sudthisak Wattanavinid ⁽¹⁾	Director	Non-Executive Director	-	(Not a director in 2013)
12. Mrs. Payao Marittanaporn	Director Executive Director Managing Director	Executive Director	6	4/4

Remark: The directors' profiles appear in Attachment A1-1 to A1-9.

⁽¹⁾ Mr. Sudthisak Wattanavinid was appointed on 26 February 2014 to replace Mr. Chavalit Wathanakul who was appointed on 27 February 2013 and resigned on 1 October 2013 (with 2/2 attendances of the Board of Directors' Meetings).

Directors authorized to sign and bind the Company

The Company determines four directors authorized to sign and bind the Company, comprising Mr. Plew Trivisvavet, Mr. Supong Chayutsahakij, M.L. Prasobchai Kasemsant and Mrs. Payao Marittanaporn, whereby two of these four directors shall jointly sign and affix the Company's seal.

8.2 Management Team

8.2.1 List of Names of Management Team

The Management Team under the structure as at 31 December 2013 comprises 18 persons (information of executives appears in Attachment A1-6 to A1-9) as listed below:

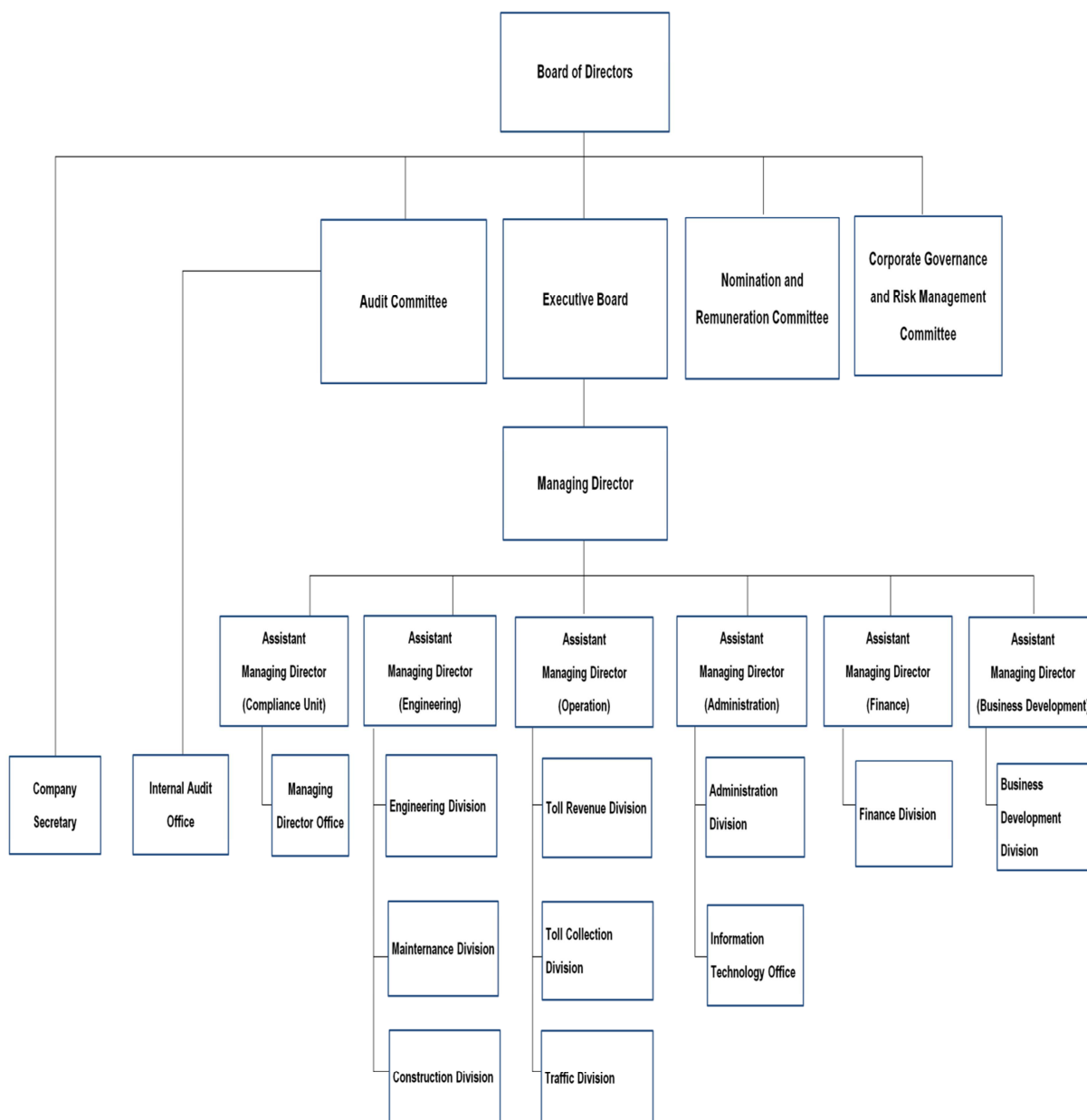
1. Mrs. Payao Marittanaporn	Managing Director
2. Mr. Sanguan Kunatinun	Assistant Managing Director: Engineering
3. Mrs. Sudruthai Prommart	Assistant Managing Director: Operation
4. Mrs. Ngamnit Kanokgarnjanar	Assistant Managing Director: Compliance Unit
5. Mr. Phakpoom Thaweewittayarut	Assistant Managing Director: Administration
6. Miss Panan Tosuwanthaworn	Assistant Managing Director: Finance
7. Mr. Chatree Techatassanasoontorn	Assistant Managing Director: Business Development ⁽¹⁾
8. Mrs. Wattana Sittiwattayaporn	Senior General Manager of Construction Division
9. Mrs. Supattra Bumnetphan	Senior General Manager of Toll Collection Division ⁽²⁾
10. Mr. Phaisan Lertsalaluck	General Manager of Traffic Division
11. Miss Vasana Wattananukulchai	General Manager of Internal Audit Office
12. Mr. Omsyn Pibulwarangkur	General Manager of Administration Division ⁽²⁾
13. Mr. Chalermkiat Sakonwisansak	General Manager of Maintenance Division ⁽²⁾
14. Miss Phenporn Kittiyopars	General Manager of Information Technology Office ⁽²⁾
15. Mr. Rungsak Luengrattanamas	General Manager of Engineering Division ⁽²⁾
16. Mrs. Manatsavee Subchavaroj	General Manager of Managing Director Office ⁽²⁾
17. Mrs. Suttida Sukhanindr	General Manager of Finance Division ⁽²⁾
18. Mr. Kittu Aphonrat	General Manager of Business Development Division ⁽²⁾

Remarks: Executives Nos. 1-7 refer to the definition of “executive” of the Office of the Securities and Exchange Commission.

⁽¹⁾ As appointed on 1 August 2013.

⁽²⁾ As appointed on 1 January 2014.

8.2.2 Management Structure of the Company



Remark : Management Structure as at 1 January 2014

8.2.3 Structure of the Board of Directors of Northern Bangkok Expressway Company Limited (Subsidiary)

The Board of Directors of Northern Bangkok Expressway Company Limited (Subsidiary) has seven qualified members, whose names, as at 31 December 2013, are listed below:

- | | |
|------------------------------|------------------------------------|
| 1. Mr. Plew Trivisvavet | Chairman of the Board of Directors |
| 2. Mr. Supong Chayutsahakij | Director |
| 3. M.L. Prasobchai Kasemsant | Director |
| 4. Mr. Panit Dunnvatanachit | Director |

- | | |
|--|----------|
| 5. Mrs. Vallapa Assakul | Director |
| 6. Mr. Sudthisak Wattanavinid ⁽¹⁾ | Director |
| 7. Mrs. Payao Marittanaporn | Director |

Remark: ⁽¹⁾ Mr. Sudthisak Wattanavinid was appointed on 26 February 2014 to replace Mr. Chavalit Wathanakul who was appointed on 27 February 2013 and resigned on 1 October 2013.

Directors authorized to sign and bind the Subsidiary

The Subsidiary determined four directors authorized to sign and bind the Subsidiary, comprising Mr. Plew Trivisvavet, Mr. Supong Chayutsahakij, M.L. Prasobchai Kasemsant and Mrs. Payao Marittanaporn, whereby two of these four directors shall jointly sign and affix the Subsidiary's seal.

8.3 Company Secretary

The Board of Directors had considered the qualified persons for appointment as Company Secretary. On 28 November 2007, the Board of Directors appointed Mr. Phakpoom Thaweewittayarut, who has knowledge and capacities in the fields of accounting, law, and audit, as well as having a good understanding of rules, regulations and criteria applicable to the listed companies, to serve as Company Secretary (details of his profile appear in Attachment 1), with the duties and responsibilities as follows:

1. Providing suggestions to directors relating to provisions of laws, relevant rules and regulations.
2. Monitoring the Company to ensure performance in compliance with laws, Articles of Association, relevant regulations and the good corporate governance principles.
3. Convening meetings as stipulated by laws and Articles of Association, preparing and keeping minutes of meetings, as well as coordinating to ensure efficient performance in compliance with resolutions passed by the Board of Directors or the shareholders' meetings.
4. Monitoring to ensure disclosure of information and information memorandum to regulatory units.
5. Contacting and communicating with shareholders and relevant regulatory units, whereby shareholders may inquire or request any information as needed by contacting at Tel. 0 2641 4611 or sending questions via email to companysecretary@becl.co.th.
6. Promoting provision of training in various courses and providing information useful for performance of duties of new directors.
7. Proceeding with other matters as assigned by the Board of Directors.

8.4 Remuneration of Directors and Executives

The Company has a policy to pay remuneration for directors and executives by considering providing appropriate remuneration as per the criteria of determination of remuneration as follows:

Remuneration for Directors and Managing Director

1. Remuneration shall be appropriate for and in line with the scope of duties and responsibilities of each director, e.g., as Chairman of the Board of Directors, chairman of each subcommittee and member of the Executive Board, the Audit Committee, the Nomination and Remuneration Committee and the Corporate Governance and Risk Management Committee, who shall receive additional remuneration for such position.
2. The level of remuneration shall be sufficient to attract and retain knowledgeable and qualified directors to perform duties for the Company.
3. The elements of remuneration are clear, transparent and easy to understand.
4. The remuneration shall be considered by the Nomination and Remuneration Committee to ensure that the remuneration stays at the same level as that in the same sector and is adequate to retain the directors and the Managing Director who possess the required qualifications.

Remuneration for Executives

Remuneration for executives shall be considered, excluding the Managing Director, in accordance with the criteria and policy specified by the Executive Board, corresponding to the Company's operational results and each executive's performance evaluation results based on the Performance Management System : PMS.

In 2013, the Company paid remuneration for directors and executives as follows:

(1) Monetary remuneration

- (1.1) Remuneration for directors of the Company comprises annual remuneration, meeting allowance, and bonus. The total remuneration for directors of the Company in 2013 amounted to Baht 23,754,468, which was in line with the resolution of the 2013 Annual Ordinary General Meeting of Shareholders which approved the remuneration for directors in the amount of not exceeding Baht 25,300,000 as bonus for directors in 2012 in the amount of not exceeding Baht 11,500,000 and remuneration for directors for 2013 in the amount of not exceeding Baht 13,800,000.

Unit : Baht

Name of Director	Position	Remuneration for Directors for 2013					Total	Bonus for 2012
		Board of Directors	Executive Board	Audit Committee	Nomination & Remuneration Committee	Corporate Governance and Risk Management Committee		
1. Dr. Virabongsa Ramangkura	Chairman of the Board of Directors	2,000,000	-	-	-	-	2,000,000	1,450,000
2. Prof. Suphachai Phisitvanich	Director	500,000	-	500,000	-	250,000	1,250,000	1,250,000
	Chairman of the Audit Committee							
	Corporate Governance and Risk Management Committee Chairman							
3. Gen. Sampao Choosri	Director	500,000	-	300,000	225,000	150,000	1,175,000	1,075,000
	Audit Committee Member							
	Chairman of the Nomination and Remuneration Committee							
	Corporate Governance and Risk Management Committee Member							

Name of Director	Position	Remuneration for Directors for 2013					Total	Bonus for 2012
		Board of Directors	Executive Board	Audit Committee	Nomination & Remuneration Committee	Corporate Governance and Risk Management Committee		
4. Dr. Annop Tanlamai	Director	500,000	-	300,000	125,000	150,000	1,075,000	900,000
	Audit Committee Member							
	Nomination and Remuneration Committee Member							
	Corporate Governance and Risk Management Committee Member							
5. Mr. Plew Trivisvavet	Director	500,000	975,000	-	125,000	-	1,600,000	1,425,000
	Chairman of the Executive Board							
	Nomination and Remuneration Committee Member							
6. Mr. Supong Chayutsahakij	Director	500,000	500,000	-	125,000	150,000	1,275,000	1,200,000
	Vice Chairman of the Executive Board							
	Corporate Governance and Risk Management Committee Member							
	Nomination and Remuneration Committee Member							
7. M.L. Prasobchai Kasemsant	Director	500,000	425,000	-	-	-	925,000	850,000
	Executive Director							
8. Mr. Panit Dunnvatanachit ⁽¹⁾	Director	500,000	-	-	-	-	500,000	628,636
	Executive Director							
9. Miss Arisara Dharamadhaj	Director	500,000	-	-	-	-	500,000	400,000
10. Mrs. Vallapa Assakul	Director	500,000	450,000	-	-	-	950,000	850,000
	Executive Director							
11. Mrs. Payao Marittanaporn	Director	500,000	500,000	-	-	-	1,000,000	850,000
	Executive Director							
	Managing Director							
12. Mr. Lertsak Chingharanon ⁽²⁾	Director	-	-	-	-	-	-	348,634
13. Mr. Chavalit Wathanakul ⁽³⁾	Director	277,198	-	-	-	-	277,198	-
Total		7,277,198	2,850,000	1,100,000	600,000	700,000	12,527,198	11,227,270
Amount approved by shareholders							13,800,000	11,500,000

Remarks: (1) Mr. Panit Dunnvatanachit

resigned from his office as executive director on 4 July 2012.

(2) Mr. Lertsak Chingharanon

held the office as director on 17 February 2012 and resigned from his office as director on 11 January 2013.

(3) Mr. Chavalit Wathanakul

held the office as director on 27 February 2013 and resigned from his office as director on 1 October 2013.

(1.2) In 2013, the Subsidiary paid remuneration for directors of the Subsidiary comprising office remuneration for directors and meeting allowance. The total remuneration for seven directors, which was received from the Subsidiary in 2013, amounted to Baht 770,000.

(1.3) In 2013, the Company paid remuneration comprising salary and bonus for executives from the level of the Managing Director downwards to General Manager, a total of 18 persons, amounted to Baht 71,948,285.

(2) Other remuneration

(2.1) Other remuneration for directors

- None -

(2.2) Other remuneration for executives

The Company establishes a providend fund, whereby executives shall pay savings at the rate of 5-10 percent of his/her salary according to service years and the Company shall pay contribution at the same rate to the fund. In 2013, the Company paid contribution to the providend fund for 18 executives in the amount of Baht 4,322,593.

8.5 Personnel

8.5.1 Number of Staff

As at 31 December 2013, the Company has a total of 660 staff, comprising personnel in two main functions, namely, Operation comprising Toll Revenue Division and Traffic Division; and Engineering comprising Construction Division and Maintenance Division, representing 77 percent of all staff, personnel in the supporting functions, namely, Compliance Unit, Administration, Finance, and Business Development, representing 23 percent of all staff.

8.5.2 Human Resource Development Policy

The Company realizes the significance of continued development of personnel, by focusing on improvement, enhancement and development of competency of the Company's personnel, which is deemed as the main work plans each year, so as to achieve the goal of providing an excellence of service to satisfaction and impression to service users. The Company then sets out work plans and proceeds with personnel development by focusing on the following main aspects:

1) Development of competency

The Company arranges for development of personnel in both main functions and supporting functions, particularly in respect of such main functions, training course for competency has been provided, both in theory and in practice, by experts in order for staff to have competency and skills in using equipment, tools with specific characteristics for the respective aspects in rescue operation, traffic management, toll collection and maintenance of system and route, in order to refresh and enhance specific skills on a regular basis, and broaden their visions to promptly respond and facilitate the Expressway users in case of any incidents on the Expressways, etc. This is to ensure the excellence of service in line with the policy of the Company. Moreover, the Key Performance Indicators : KPIs are scheduled to be reviewed on a yearly basis to ensure compliance with the Company's policy and master plan.

2) Development of potential of all staff

This is based on the belief that every person has potential which could be used without limitation if they were provided support and opportunity. The Company thus allows staff to show their potential through various quality activities, such as, 5S, Suggestion System and QCC, not only inside the Company, but also the outside, such as, presentation of the QCC achievement in the QC Contest of Thailand held yearly for the purpose of sharing experience and development. In addition, staff who will become executives of the Company in the future will be encouraged to develop their managerial skills by taking Mini MBA course from leading educational institutes, as well as supporting them to further study in a level higher than bachelor degree in the fields relating to their assigned duties or long-term training course in specific fields, including continued study visits in Thailand and overseas.

3) Maintenance of personnel with potential

The Company has taken care of its staff who have high ability and work potential, by allowing for advancement in their career paths by setting out clear criteria to be regularly implemented every year. Moreover, the Company arranges for the individual development plan, especially such personnel at the supervisor level or higher. Furthermore, the Company also improves the performance evaluation based on the Performance Management System (PMS) by using KPIs in the evaluation to ensure concrete and measurable results, along with factors in respect of competency and work behavior of staff which would serve as a mechanism to retain competent personnel and for the purpose of development of staff's competency to possess five core competencies as desirable by the Company, namely:

1. Self-learning and self-development to ensure continued development in the learning organization;
2. Focus on ethics to promote the performance in accordance with the good corporate governance principles;
3. Focus on quality and safety to serve the Expressway users with convenience, rapidity, and safety to their destination in accordance with the Company's main policy;
4. Provision of good and quality services to internal/external customers to the satisfaction of internal customers in the working process and to the satisfaction of the Expressway users, including EXAT as the other party to the Concession Agreement of the Company.
5. Focus on results to set out goals for the key performance indicators and to set out action plans to achieve the goals.

4) Determination of Succession Plan

The Company focuses on rather internal than outside recruitment, particularly such work positions in the primary line, through the annual promotion process in accordance with the criteria, significantly based on performance and potentials. In this regard, the Company

makes preparations for those potential successors in the development of their knowledge, competency and skills as required for their work positions.

5) Quality Management System

The Company is still determined to improve the efficiency and quality of work performance, by way of maintenance of the quality of its service provision through the Company's quality management certification, ISO 9001, which has been certified by SGS (Thailand) Limited in accordance with UKAS Standard of England and NAC Standard of Thailand since 2001 up to the present time. Furthermore, the Company continues to focus on the significance and support of group quality activities, such as 5S, Suggestion System and QCC, as well as the Quality Day event, which are held every year since 2000. These activities encourage staff to demonstrate their performance of tasks in such activities in the presence of the high level executives, and also encourage their participation in presentation of achievements with external organizations to exchange knowledge and experience, including overseas study visit, to serve as encouragement and positive attitude for their group quality activities in the future.

8.5.3 Benefits

1) Remuneration for Staff

In order to determine the appropriate and competitive remuneration to maintain the good and competent staff to work with the organization, the Company then participated in the survey of wages and remuneration to compare with other companies in the same sector as well as reviewing the starting salary for new graduates and base salary based on the value of work via the institute conducting wage survey on a regular basis. Therefore, it can be assured that the Company determines the fair and appropriate remuneration to the staff, including the performance evaluation by the Performance Management System : PMS to increase staff's knowledge and skills and to determine fair remuneration for work performance for each staff, whereby such performance evaluation shall be conducted twice a year.

Furthermore, the Company establishes a provident fund for long-term care of staff in order to motivate staff to work with the Company and to encourage staff's saving habits to secure adequate retirement savings for a quality retirement life. Staff may immediately apply for membership after employment as permanent staff of the Company, whereby staff shall pay savings at the rate of 5 to 10 percent of his/her salary according to service years and the Company shall pay contribution at the same rate to the fund. Staff who are fund members shall gain benefits arising from management in proportion to each staff's money in the fund. The Company also arranges group life insurance for staff so as to ensure security for staff family accordingly.

2) Work Safety

The Company gives priority to work safety by encouraging every department to set out measures relating to proper use of safety equipment as appropriate for each task, as well as providing budget in support of improvement of the efficiency of such equipment to be ready for effective and sufficient use, including review of use of such equipment on a regular basis throughout the year, such as, use of water trucks and fire extinguishing equipment, use of cutter-spreader tools, etc., and emergency simulation drill. Moreover, the Company also provides training to its staff on the awareness of safety at work, life, and assets of its customers. Furthermore, to ensure the provision of service in compliance with the Company's policy, the Company has provided the refresh training and field practice on a yearly basis in the "Fire Fighting" course to its staff in the main and related support lines, including the "First Aid" course to the rescue and traffic management staff on the Expressways.

3) Quality of Staff's Life

The Company realizes the significance of life quality of staff, including motorists and the society around the Expressway routes in accordance with the guidelines of ISO 14001: 2004 Environmental Management System. The Company was then certified by SGS (Thailand) Limited in accordance with UKAS Standard of England and NAC Standard of Thailand on 14 November 2008, and through the commitments of the Management Team and contribution of staff in realizing the significance and necessity as members of the world community with duty to preserve the environment, and as such, the Company underwent a second recertification audit of ISO 14001: 2004 Environmental Management System Certificate by SGS (Thailand) Limited in 2011 and also continuously passed the surveillance audit.

4) Staff Welfare

In addition to welfare required by law, the Company also provides staff with additional and appropriate welfare and encourages the roles of the Staff Welfare Committee, beginning with the arrangement for the legitimate election as required by law, so as to ensure that acceptable staff representatives would be elected to perform the duty of inspection of the Company's treatment of staff under the legal requirements; as well as provision of other benefits than those prescribed by law in a widespread and fair treatment manner, including advice on welfare improvement as appropriate for the changing circumstances. A meeting of the Welfare Committee, with the presence of the Managing Director and the Executives, shall be held at least four times a year, thereby granting the opportunity for the Welfare Committee to meet with the Company's highest level executives to provide their opinions, as well as acknowledging the Company's various policies directly from the executives, creating good understanding towards each other which leads to adjustment and improvement of the Company's welfare in various aspects to ensure appropriateness according to the changing economic and social circumstances.

5) Labor Relations

The Company sets out a policy to take care of its staff via the line management, whereby the Human Resources Department shall serve as advisor, support and provide the supervisors with regular training on personnel management and understanding of work rules and regulations of the Company. The Company also sets out the investigation procedures in case of any disciplinary misconduct by staff to ensure fairness and solutions to prevent repeated misconduct, including clear and rapid grievance procedures. Consequently, the Company had no labor dispute.

Moreover, the Company encourages and supports budget for leisure activities by allowing staff who are interested in useful activities to form activity group in the form of various clubs, such as, sports club, and music club, whereby the sports club arranged for activities throughout the year, e.g., jogging for good health, as well as participation in running for charity in association with the government sector on various occasions; arrangement of the annual internal sports activity, so as to encourage staff to work out and then select the Company's athletes to participate in sports competition with external organizations to gain more experience. The music club has regularly arranged for activities every year for recreation and encouragement of the expression of artistic and performance talents as well as allowing staff to perform their shows in various events of the Company, and sharing happiness with the society, particularly the underprivileged communities.

6) Anti-Drug in Office Campaign

The Company realizes the country's drug problems which give rise to major impact on the economic and social stability, public order and morality, and then, in association with the Company's Welfare Committee, participated in the "White Factory" project (Drug Free Workplace Project) of the Department of Labor Protection and Welfare, by participating in activities in collaboration with external agencies, and cooperation for drug test of all the Company's staff. In such arrangements, the Company sets out a policy to confirm its commitment and practice, namely:

1. Giving priority to drug prevention and solution by educating its staff on the damage of drugs and organizing staff health check-up every year or on specific occasion.
2. Supporting and promoting all staff to take a role and participate in campaign for drug prevention and solution, and monitor both inside and outside the Company for drug prevention in the Company.
3. Providing cooperation with the government agencies in respect of various measures for drug prevention and solution campaign.
4. Appointing the Welfare Committee to take responsibility for implementing the "White Factory" project (Drug Free Workplace Project) to meet the objectives in line with the drug prevention and solution policy in business premises.

In this regard, the Company authorized the Welfare Committee to act as the *ex officio* “White Factory” Project (Drug Free Workplace Project) Committee to ensure the continued implementation, whereby the “White Factory” Project (Drug Free Workplace Project) Committee shall have duties and responsibilities as follows:

1. Providing suggestions and guidelines for drug prevention and solution;
2. Complying with policies and action plans for drug prevention and solution;
3. Promoting and supporting activities for raising the awareness and campaign on anti-drug in the Company;
4. Disseminating knowledge and understanding relating to drugs and drug prevention to its staff;
5. Following up and evaluating the implementation and report to the Company.

The Company as 1 of 150 business premises which were granted a Drug Free Workplace Certificate by the Department of Labor Protection and Welfare due to the Company’s “Drug Management System in the Business Premises Ranking No. 1”, on 15 March 2012, from the total of 258 nominees, as a role model for other business premises in that the Company could encourage its staff to participate in anti-drug campaign in the business premises until they produced concrete results.

9. Corporate Governance

9.1 Corporate Governance Policy

The Board of Directors realizes the significance and benefits of the good corporate governance to ensure the Company's efficient, transparent and auditable management systems to help build up trust and confidence for shareholders, investors, stakeholders, all parties concerned, thereby resulting in the Company's sustainable growth. The Company adheres to its corporate governance policy which is in compliance with the corporate governance principles in five sections, namely:

1. Shareholders' Rights

Encouraging shareholders to exercise their fundamental rights and taking care of shareholders beyond their rights as specified by law without any actions in violation of or depriving shareholders of their rights.

2. Equitable Treatment of Shareholders

Supervising and monitoring all shareholders to be equally treated under their fundamental rights, laying down measures to prevent inside information usage for seeking personal interests or others which causes damage to shareholders as a whole.

3. Role of Stakeholders

Taking care of every group of stakeholders based on their rights as specified by applicable laws without any actions in violation of or depriving stakeholders of their rights as well as establishing compensation measure in case any stakeholders sustain any damage arising from violation of the rights, promoting cooperation between the Company and stakeholders in order to build up wealth, financial stability and sustainability towards the Company.

4. Disclosure and Transparency

All activities are undertaken with transparency and open for inspection with sufficient information disclosure to all relevant parties as well as monitoring to ensure disclosure of material information relating to the Company, both financial and non-financial information, shall be made correctly, completely, timely and transparently through an easy access with equality and reliability.

5. The Board of Directors' Responsibilities

The Board of Directors shall perform their duties with honesty and due care for the optimum benefit of the Company and fairness to all shareholders under the good internal control system and suitable risk management, including compliance with the Company's code of ethics.

To build up confidence for shareholders, investors and all parties concerned, the Board of Directors regularly reviews its corporate governance policy every year to ensure compliance with the good corporate governance principles for listed companies. In this regard, the Company discloses and disseminates the corporate governance policy on its website for external communication and via the Intranet for communication with internal staff to acknowledge and facilitate their participation in compliance with such policy. In 2013, the Board of Directors reviewed its practices in accordance with the good corporate governance principles for listed companies 2012 and the Company has also prepared the good corporate governance guidelines for compliance.

The Company has adhered to the good corporate governance principles in its management by taking into account the significance of and responsibilities towards the Company's shareholders and stakeholders, and as such, the Company continued to receive an excellent rating in the assessment of the corporate governance. In 2013, the Company's assessment results by the regulatory units and awards from various organizations and agencies are as follows:

- The Company received an "Excellent" rating in the assessment of the corporate governance of Thai listed companies for 2013 from the Thai Institute of Directors Association.
- The Company received an "Excellent" rating in the assessment of the quality of the 2013 Annual Ordinary General Meeting of Shareholders.
- The Company received a CSRI Recognition 2013 award in the general category from the Corporate Social Responsibility Institute (CSRI), the Stock Exchange of Thailand, to honor and encourage the Company for its commitment to ongoing business development with social responsibility.

The Company's adherence to the good corporate governance principles for listed companies 2012 in accordance with the best practices of the Stock Exchange of Thailand in five sections is described as follows:

9.1.1 Shareholders' Rights

The Board of Directors acknowledges shareholders' ownership rights to decide on the Company's significant changes. The Board of Directors also understands the significance of shareholders' rights and therefore refrains from taking any actions in violation of or depriving shareholders of their rights as well as facilitates their exercise of rights. Shareholders are sufficiently informed on rules and procedures for participation in meetings and other information in support of their consideration of each agenda item in due course in accordance with the practices of the Stock Exchange of Thailand, as follows:

1. Shareholders' Meetings

1.1 All groups of shareholders' participation in shareholders' meetings

The Company realizes shareholders' ownership rights, and thus, manages its business with good, acceptable and reliable governance. Shareholders shall control the Company through the appointment of the Board of Directors. In this connection, the Board of Directors clearly sets out the corporate governance policy that the Company shall promote all groups of shareholders, particularly minority shareholders, foreign shareholders, and institutional shareholders, to exercise their rights without limitation to only such rights provided by laws, and shareholders' fundamental rights under laws shall be protected, whereby the Company shall not take any actions in violation of or depriving shareholders of their rights. Shareholders' right to decide on significant changes shall be promoted by way of sufficient access to the Company's information, participation in shareholders' meetings to vote on appointment of directors, determination of remuneration for directors, appointment of auditor and determination of audit fee, including voting on any important matters of the Company, etc.

In case it is inconvenient for any shareholders to attend meetings in person, the Company prepares proxy forms to facilitate shareholders' voting, and nominates one independent director as an option for appointment as proxy of shareholders for exercising the right to attend meetings and vote on each agenda by proxy.

1.2 Shareholders' opportunity to study the Company's information memoranda

The Company provides information, date, time, place and agenda of meetings, together with explanations and reasons in support of each agenda item, in notices of shareholders' meetings. Notices of shareholders' meetings, together with details of each item of the agenda, shall be prepared both in Thai and English versions for the benefit of foreign shareholders. In addition, details relating to such documents or evidence in support of participation in meetings are provided in the said notices, which shall be displayed on the Company's website 30 days in advance, e.g., for the Extraordinary General Meeting of Shareholders No. 1/2013 on 6 February 2013 (the notice was displayed from January 7, 2013) and for the Annual Ordinary General Meeting of Shareholders on April 24, 2013 (the notice was displayed from 22 March 2013). In addition, notices of meetings shall be sent to Thailand Securities Depository Company Limited, as the Company's share registrar, for delivery to shareholders in advance 14 days prior to meeting dates, so as to allow shareholders to have time to consider details of each agenda item. Furthermore, shareholders' meetings shall proceed in accordance with the order of agenda as specified in notices of meetings without adding any agenda to meetings without prior notice to shareholders, so that shareholders shall have the opportunity to study information in support of their consideration of each agenda.

1.3 Facilitation to shareholders' exercise of their rights to attend meetings and vote

The Company facilitates shareholders' exercise of their rights to attend meetings and vote without any special conditions which may restrict shareholders' opportunity to attend meetings. The Company sets shareholders' meeting dates which shall not fall on any long holidays or public holidays; and appropriate meeting time which shall not be too early in the morning or too late in the evening; including meeting venues which shall be convenient for commuting, such as, close to a metro station or Expressway on-off ramp, and with sufficient parking area, together with route map of the meeting venues and travelling. Details relating to documents or evidence in support of participation in meetings are provided in notices of meetings delivered to shareholders in advance 14 days prior to meetings. In 2013, the Company convened two shareholders' meetings, namely, the Extraordinary General Meeting of Shareholders No. 1/2013 on 6 February 2013, at 14:00 hours, at Golden Tulip Sovereign Hotel Bangkok; and the 2013 Annual Ordinary General Meeting of Shareholders on 24 April 2013, at 13:30 hours, at Grand Millennium Sukhumvit Hotel, Bangkok, whereby shareholders could travel to both places using the MRT service. Moreover, the Company arranged for shuttle bus service from the MRT stations to the meeting venues.

1.4 Shareholders' opportunity to ask questions in advance

The Company welcomes shareholders' inquiries concerning meetings in each agenda item or submission of questions or suggestions prior to meetings, subject to procedures described in the notices of meetings. The Company also discloses such procedures for submission of questions in advance on its website at www.becl.co.th. Shareholders may send questions via the Company's website or e-mail address : companysecretary@becl.co.th, Telephone : 0 2641 4611 ext. 8400 or 8500, Facsimile : 0 2641 4610 and by post to the Managing Director Office, Bangkok Expressway Public Company Limited No. 238/7, Asoke-Dindaeng Road, Bangkok Subdistrict, Huaykwang District, Bangkok 10310. Shareholders may submit questions in advance for the Company's ordinary general meetings of shareholders from November every year. Answers to shareholders' questions submitted in advance may be given via e-mail, facsimile, other appropriate channels, or at ordinary general meetings of shareholders.

1.5 Shareholders' proxy

The Company encourages shareholders who are unable to attend meetings in person to use proxy forms of their own choosing for voting. Three available proxy forms under law are as follows:

- Proxy Form A is a general simple proxy form (for shareholders in all cases);
- Proxy Form B is a proxy form with specific details;
- Proxy Form C is used only by foreign shareholders who appoint a custodian in Thailand.

The Company makes these three proxy forms available on its website for shareholders to choose and use them as appropriate. Furthermore, the Company prepares duty stamps available for free for shareholders who appoint proxy to attend meetings.

2) Conduct of Shareholders' Meetings

The Company's reception staff shall facilitate shareholders' participation in meetings and provide information to shareholders both before and after meetings as well as serving refreshments to shareholders. In addition, the Company uses the following facilities and methods to conduct meetings:

2.1 Use of technology in meetings

The Company uses barcode and computer systems for meeting registration and voting for the purpose of accuracy, convenience and rapidity, and as such, voting results can be displayed online immediately. In addition, the Company's staff shall facilitate shareholders' submission of written questions to directors or posting of direct questions to directors during the meetings.

2.2 Directors' participation in shareholders' meetings

The Board of Directors realizes the significance of their participation in shareholders' meetings to answer questions and take suggestions of shareholders into consideration. In 2013, 10 out of 11 directors attended the Extraordinary General Meeting of Shareholders No. 1/2013, and 11 out of 12 directors attended the 2013 Annual Ordinary

General Meeting of Shareholders, whereby Chairman of the Board of Directors, Audit Committee Chairman, chairs of various subcommittees, Managing Director, and the Management Team of the Company attended all shareholders' meetings to answer shareholders' questions on various issues.

2.3 Rules on voting

The Company specifies that shareholders shall have one vote for each share held by them. Normally, a majority of votes of shareholders who attend the meeting and cast votes shall be applicable. Resolution for agenda item on determination of remuneration for directors shall be passed by not less than two-thirds of all votes of the shareholders who attend the meeting. As for other issues, votes shall be in accordance with the Articles of Association, laws and relevant regulations. Agenda item for acknowledgement shall require no resolution.

2.4 Vote counting or examination in shareholders' meetings

The Company uses barcode system to record and display voting results. A legal advisor and at least two independent persons as shareholders' representatives shall witness the counting of votes to ensure transparency and compliance with the laws and the Articles of Association. The Company's Board Chairman who presides over shareholders' meetings shall introduce the examiners of vote counting to the meetings for the record in minutes of every shareholders' meeting. The results of vote counting are open to shareholders' examination. The Company discloses resolutions, together with voting results on each item to the meetings and disseminates such resolutions via the Stock Exchange of Thailand's system as well as makes such resolutions and minutes of meetings available on the Company's website for the shareholders' information and examination of voting results.

2.5 Use of voting cards

1. Voting cards are provided for every agenda for those who attend the meetings in person or by proxy and have power to vote on each agenda item. The Company's officers shall facilitate the collection of voting cards in the meeting room. To ensure transparency, the Company has the legal advisor and the shareholders' representatives serve as witness in the counting of votes.
2. In case that shareholders appointing their proxies have clearly voted for, against or abstained from voting on the respective agenda items, the Company shall collect and record such votes for computer processing in advance. The legal advisor and the shareholders' representatives shall examine the counting of votes by proxy, in which case, no voting cards shall be provided to the proxies attending the meetings.
3. To ensure that the conduct of the meeting in each agenda item is efficient and beneficial to shareholders as a whole and the Board of Directors has sufficient time to clarify or answer shareholders' questions, the Company shall collect only the voting cards of the shareholders attending the meeting in person and intending to vote against or abstain from voting.

4. As for the agenda item on appointment of directors in respect of which the shareholders may vote on an individual basis, the Company shall collect the voting cards from all shareholders attending the meeting to ensure the transparency in the counting of votes which can be requested for review at a later date.

2.6 Shareholders' opportunity to share opinions or ask questions

The Chairman of the Board of Directors who presides over shareholders' meetings allows and supports shareholders to share opinions and ask questions concerning related matters to the meetings, based on the following practices:

1. To further share opinions or ask questions relating to agenda items during the meetings, after the end of report or presentation of each agenda item;
2. To further share opinions or ask questions relating to other matters than the agenda items after the meetings have proceeded in accordance with all agenda items.

3) Preparation of Minutes of Shareholders' Meetings and Disclosure of Meetings' Resolutions

1. The Company disseminates resolutions of shareholders' meetings in each agenda item on its website in addition to the disclosure to the Stock Exchange of Thailand via SET Community Portal (SCP), within the business day following the date of shareholders' meetings for shareholders' information and review of voting results.
2. The Company prepares minutes of every shareholders' meeting with accuracy and completeness, comprising the following information:
 - The list of directors attending the meeting;
 - The number of shareholders/shares present at the meeting (in person/by proxy);
 - Brief explanation on material issues, such as, voting procedures and display of voting results, to the meeting prior to conducting the meeting;
 - Names of persons who ask/answer questions or share opinions in brief;
 - Resolutions of the meeting, with details of votes for, against or abstentions.
3. Draft minutes of shareholders' meeting is made available for all shareholders' information on the Company's website after the minutes have been delivered to the Stock Exchange of Thailand within 14 days after the end of the meeting.
4. A video presentation of the atmosphere of the shareholders' meeting is made available on the Company's website for the shareholders absent from the meeting or for any persons interested in the Company's information, to review details of the meeting other than those recorded in the minutes, whereby such video presentation is available on the website until the next shareholders' meeting.

9.1.2 Equitable Treatment of Shareholders

The Board of Directors realizes the significance of supervision and monitoring to ensure the Company's equal and fair treatment of all shareholders, both executive and non-executive, including foreign shareholders, for the protection of shareholders' fundamental rights, as well as laying down measures to prevent inside information usage to seek personal interests or others which may cause damage to shareholders as a whole.

1) **Provision of Information prior to Shareholders' Meetings**

The Board of Directors shall ensure that the Company gives notice of the meeting, together with agenda items and opinions of the Board on each agenda item, to the Stock Exchange of Thailand in accordance with the rules on disclosure, and such notice shall be posted on the Company's website within the following business day; and that the Company prepares the notice of the meeting, together with details of each agenda item, both in Thai and English, for the convenience of foreign shareholders, and disseminates such notice of the meeting, together with details of each agenda item on its website in advance one month prior to the meeting date. The Board of Directors shall also ensure that the Company gives prior notice to shareholders on rules and regulations in the conduct of the meeting, voting procedures, including their voting rights.

2) **Protection of Minority Shareholders' Rights**

The Company is determined to facilitate shareholders' exercise of their rights to supervise the Company's business through the Board of Directors in order to enable shareholders to exercise their rights to propose any matters relating to the Company's significant changes. The Company therefore fairly and equally allows all shareholders to exercise their rights to propose agenda to the shareholders' meeting and to nominate qualified candidates for appointment as directors via the Company's website. Shareholders may exercise such rights in advance one month prior to the end of each accounting year for the purpose of the Company's annual ordinary general meeting of shareholders, starting from the 2009 Annual Ordinary General Meeting of Shareholders. The period for shareholders' exercise of such rights has been changed to two months prior to the end of each accounting year, starting from the 2013 Annual Ordinary General Meeting of Shareholders onwards. The Company has informed its shareholders of such change via the Stock Exchange of Thailand's website, including relevant rules on the Company's website. In this regard, the Board of Directors shall consider incorporate such agenda proposed by shareholders as appropriate. As for the candidates nominated for appointment as directors, the Management shall propose such nominations to the Nomination and Remuneration Committee for further submission to the Board of Directors and the shareholders' meeting.

The shareholders' meeting shall proceed in accordance with the order of the agenda as specified in the notice of the meeting and shall not add any agenda to the meeting without prior notice to shareholders, so that shareholders shall have the opportunity to study information in support of consideration of each agenda.

Shareholders are allowed to exercise their rights to appoint directors on an individual basis in the agenda item of appointment of directors, in respect of which shareholders may vote on an individual basis.

3) Prevention of Inside Information Usage

The Board of Directors has set out written guidelines for storage and prevention of inside information usage, and informed all staff on such guidelines for compliance. In this regard, the Company establishes measures to prevent inside information usage to seek interest of directors and executives by informing all persons of their roles and duties to report their own securities holding, and on securities holding by their respective spouses or minor children who hold securities of the Company; and to report on every change in such securities holding from purchase, sale, transfer or acceptance of transfer of securities, to the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (1992) within three business days from the date of purchase, sale, transfer or acceptance of transfer of securities, whereby the Company regularly reminds the Board of Directors thereof. Moreover, directors and executives have also been informed of their duties and responsibilities as specified, including punishments under the laws. In addition, the Company prohibits its executives who have access to inside information from taking any actions contrary to the relevant laws, rules and regulations.

4) Interests of Directors and Executives

4.1 Report on interests of directors and executives

The Board of Directors requires its directors and executives to have a duty to report on their personal interests and disclose their holding of directorship or executive positions in other legal entities, and their shareholdings in other legal entities in excess of 25 percent of total voting shares by both reporters and their related persons. This is to ensure that the Board of Directors shall have information in support of its consideration and approval of execution of transactions of the Company and its Subsidiary with accuracy and transparency in compliance with the relevant rules and regulations.

The Company Secretary shall keep such reports on interests by directors and executives, and provide copies of such reports to the Chairman of the Board of Directors and the Audit Committee Chairman within seven business days from the date of receipt thereof.

4.2 Interested directors' participation in shareholders' meetings

The Board of Directors sets out a policy to prohibit its directors and executives who are connected persons or interested persons in relation to any agenda items to be considered, from participating in the meeting or voting on such items. The Management shall give prior notice to such directors and executives who are not allowed to participate in the meeting or vote on such item. In considering a connected person and interested person, the Board of Directors shall take into account such reports on interests which all directors and executives have a duty to prepare and submit to the Chairman of the Board of

Directors and the Audit Committee Chairman in accordance with the Board of Directors' policy requiring directors and executives to report on their personal interests.

5) Execution of Connected Transactions on Arm's Length Basis

The Company acknowledges the significance of transparent consideration of transactions for the benefit of the Company, and thus it is important to prevent any transaction which may constitute a conflict of interests, connected transaction or related transaction, based on the following key principles:

5.1 Prevention of a conflict of interests

1. Directors and executives must inform the Company of relationships or connected transactions in any business which may give rise to a conflict of interests;
2. Any connected transactions with directors which may give rise to a conflict of interests with the Company must be avoided. Any connected transaction which is necessary to be executed must be proposed to the Audit Committee to consider providing an opinion prior to proposing the same to seek approval from the Executive Board or the Board of Directors (as the case may be) in accordance with the good corporate governance principles, and in compliance with the rules of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission;
3. Executives and staff must strictly comply with the Articles of Association and the code of business ethics of the Company, in order to ensure the Company's reliability and trust for all stakeholders, and all staff's understanding and adherence to the same.

5.2 Related transactions or connected transactions

In case the Company executes a connected transaction under the definition of the Stock Exchange of Thailand, the Company shall comply with the rules and regulations of the Stock Exchange of Thailand, as follows:

1. The Company shall consider executing connected transactions on the same basis as general customers in the ordinary course of its business, with fairness and justification for the utmost benefit of the Company;
2. If such price is not available, the Company shall consider comparing prices of goods or services with those of third parties, subject to the same or similar conditions;
3. If a market price is not available, the Company shall require an independent price appraiser's opinion for price comparison with respect to material related transactions, to ensure such price is reasonable for the utmost benefit of the Company;
4. Any related transaction or connected transaction in which a major shareholder or director or high level executive of the Company may have interests; and which is not in the ordinary course of its business; or is subject to different

commercial terms from those of a general commercial transaction; and with a transaction size beyond the Management's scope of power, shall be executed by the Company subject to approval of the Board of Directors' meeting, in which the interested director or high level executive shall not participate in the consideration and approval of such transaction;

5. The Company shall disclose information on transactions in accordance with the rules as specified by the Office of the Securities and Exchange Commission;
6. The execution of connected transactions shall be reviewed under the audit plan by the Internal Audit Unit and reported to the Audit Committee, subject to control and audit measures as well as random review to ensure that the transactions are actually and duly executed in compliance with contracts or specified policies or conditions;

9.1.3 Role of Stakeholders

The Company has a clear policy which realizes the significance of rights of every group of all stakeholders, whether inside, such as, staff and executives of the Company and its Subsidiary, or outside, such as, customers, business related persons, lenders, traders, society and communities where the Company is located, schools adjacent to the Expressways, government sector, including competitors, and other relevant authorities. Any stakeholders wishing to contact or have any comments may directly contact directors or the Company Secretary. In addition, the Board of Directors has laid down the corporate governance policy that the Company shall treat stakeholders based on their rights as specified by applicable laws without any actions in violation of stakeholders' rights; and has established compensation measures in case any stakeholders sustain any damage arising from violation of the rights; focusing on its operations with respect to human rights. The Company has continued to take care of stakeholders in accordance with the policies, as follows:

1) Policy on treatment of each group of stakeholders

1.1 Customers: The Company has a commitment to provision of quality and reliable service in response to customers' need to save their travelling time in Bangkok and its surrounding provinces as well as realizing the significance of the fair treatment towards all customers, and has continual work plans for improvement of the Expressway services for motorists to ensure a more rapid and convenient service with standard safety. Rules and regulations of service provision to which the Company has adhered are as follows:

1. Providing quality service to satisfy motorists' expectations.
2. Ensuring prompt response to motorists' needs, and allowing and facilitating motorists' submission of any comments or suggestions for service improvement.
3. Providing accurate and timely information on service.
4. Organizing special activities for allowing the Expressway users to visit the operation and management of the Expressways under the Company's concession.

- 1.2 Business counterparty:** The Company strictly discharges its obligations under the Agreements with EXAT in the capacity as contractual party, and fairly treats its business counterparty on the basis of equitable treatment, without any barrier, special right or discrimination. The Company also complies with conditions, rules, regulations, practices towards each other, and promotes good relationships, which are clearly written in the Company's code of business ethics, along with the work procedures in accordance with ISO 9001 Quality Management System. This is to ensure its collaboration with EXAT to provide the efficient and regular Expressway service. In this regard, the Company arranges for monthly performance satisfaction assessment by EXAT in respect of toll collection and rescue operation in order to develop and improve the efficiency of the operations. According to the assessment results, EXAT is completely satisfied with the Company's excellent collaboration.

The Company organizes quarterly meetings between its operating staff and EXAT's personnel, which not only enhances the efficiency and results in the Expressway users' satisfaction, but also minimizes conflicts or impacts which may give rise to disputes over joint operations between both parties.

- 1.3 Traders/Contractors:** The Company has a commitment to procurement of standard goods and service, for the purpose of development and maintenance of sustainable relationship with traders, with the clear objectives in terms of quality of goods and service worth its value, technical standard and creditability. The Company therefore provides the fair and equal procurement procedures to all traders in compliance with the work procedures regarding procurement in accordance with the requirements of ISO 9001 Quality Management System, based on the practices as follows:

1. Determining the criteria for selection of trade counterparts through a strict screening process to ensure fair business operations without violation of human rights.
2. Ensuring competition on the basis of equal information access, without preventing any trader from participating in business competition.
3. Preparing contracts in appropriate and standard forms.
4. Arranging for management and monitoring system to ensure the full compliance with contracts and internal control system to prevent fraud and misconduct in all steps of the procurement procedures.
5. Making payments to traders on time in accordance with terms of payment as mutually agreed.
6. Not allowing director and/or staff to accept any benefits from traders.
7. Evaluating traders on a yearly basis and informing results of evaluation with suggestions for traders to continuously improve the quality of goods and services, and also allowing traders to contact the Management to make any complaints if they are unfairly treated.
8. Refraining from seeking any trader's secret dishonestly or improperly, such as, bribing director and staff of its competitors.

9. Refraining from making a serious accusation against traders without reasonable grounds.

1.4 Lenders/Shareholders: The Company strictly complies with the conditions of the Credit Facilities Agreement at all times to build up confidence of the financial institution lenders who provide financial support to the Company's projects, and breaches any conditions thereof as mutually agreed. The Company complies with and adheres to the following procedures:

1. Strictly complying with the conditions of the Credit Facilities Agreement as mutually agreed. In case it is unable to comply with any condition, the lenders shall be informed thereof in advance to jointly seek a solution.
2. Equitably and fairly treating all lenders on the basis of a win-win solution for both sides.
3. Regularly and timely reporting on accurate and complete financial information to lenders.
4. Refraining from demanding, receiving or accepting engagement for any fraudulent benefits in commercial terms.
5. Disclosing information on demand, receipt or acceptance of engagement of any fraudulent benefits, if any, to lenders to jointly resolve such problems fairly and promptly.

Debenture holders: The Company issues debentures in accordance with applicable requirements, laws and notifications of the Securities and Exchange Commission and strictly complies with policies, objectives and resolutions of the shareholders' meetings, and also realizes the significance of its responsibility to fulfill commitments in accordance with the requirements regarding the debenture issuer's rights and duties, including relevant contractual conditions.

1.5 Staff: The Company considers staff as key resource behind its business movements and as a crucial factor to the Company's success, and then clearly sets out the staff practices in respect of proper treatment of staff in the Company's code of business ethics, subject to the Board of Directors' review of the performance in compliance with such policy every year. The policy comprises:

1. Providing the fair and appropriate benefits to staff according to their respective work competency, by mainly employing staff performance evaluation system for development of competency as well as clearly measuring their performance based on KPIs in every key activity in support of consideration of merits of staff and for motivation of work development, including remuneration in line with the value added to the business in the long run.
2. Creating a participatory and teamwork environment by allowing staff to express their opinions on work performance.
3. Ensuring that staff take pride in and engage with the organization by encouraging their career advancement.
4. Ensuring equitable treatment, integrity and fairness in punishment, appointment, and transfer, including reward, on the basis of staff's knowledge, capacities and qualifications.

5. Creating the work environment on the basis of occupational health and safety for life and property of staff and the Company, whereby the Company takes into account the safety of staff's operation and the Expressway users, and as such, organizes regular training to technical and engineering teams, including rescue and traffic management staff on the Expressways, so as to ensure their efficient and safe performance.

(Work-related accident statistics: In 2013, the Company's work-related accident statistics involves an accident on the Expressway with zero staff casualty.)

6. Giving priority to and promoting staff's development of their knowledge and capacities, whereby the Company allows staff to develop their knowledge by encouraging them to attend training courses or further study in order to enhance their skills and competency. In 2013, the Company arranged for staff to attend training for five days each on average (30.47 training hours/person) and also organized staff health activities titled "In Good Shape Mission" to support the balance between work efficiency and good health and well-being of staff; as well as widely and constantly fostering the attitudes and values on quality work system, including awareness of energy saving and environment preservation.
7. Respecting human rights in respect of nondiscrimination, provision of equitable opportunity for employment of female labor, disabled persons, underprivileged persons, youths, the elderly, and acceptance of staff's freedom of association and the right to collective bargaining.
8. Ensuring that staff strictly comply with laws and regulations relating to staff, including provision of suggestions and close monitoring in order to prevent any illegal action due to mistaken belief, whereby the Company supervises to ensure that staff use lawful products and refrain from infringement of copyrights or intellectual property, along with support of compliance with the operational guidelines and performance of duties with integrity, without any involvement with corruption for the benefits and success of the Company.

1.6 Supply chain : The Company deals with the supply chain in strict compliance with international standards, ISO 9001 Quality Management System, and ISO 14001 Environment Management System, by way of providing education and close monitoring and audits to ensure that the supply chain of traders in business association with the Company is concerned for environmental impact, in the interests of the sustainability of their mutual business alliance.

1.7 Communities where the Company's business premises are located: The social and environmental impacts of its business operations on the communities adjacent to the Expressways or near its office are of concern to the Company, and therefore, the Company continues to organize special activities and provide supports to various community activities.

2) **Anti-Corruption Guidelines**

The Company sets out a policy on anti-corruption and bribery for its business interests, and also adopts a corruption risk assessment. Guidelines for supervision and monitoring to prevent and follow up corruption risks are as follows:

1. Staff are prohibited from granting or offering any items or any other benefits to third parties, such as, government officials, agents, representatives, counterparts, etc., with the intention of misleading such third parties to take or omit to take any acts in violation of laws or contrary to their positions or functions or in exchange for undue privileges.
2. Staff are prohibited from demanding or receiving any items or any other benefits for personal gains or others in a manner that persuades them to abuse their duties or neglect to perform their duties.
3. Any business dealings in association with various agencies, such as, government agencies, state enterprises or private sector, etc., both local and international, must be transparent, fair and lawful in Thailand and foreign countries where such dealings take place.
4. Any fraudulent acts against duties are a serious disciplinary misconduct.

3) **Non-infringement of Intellectual Property**

1. Staff are prohibited from using any information, documents, computer applications, software, books, articles, video tapes, audio records, and works of any other persons in a manner that infringes their intellectual property, regardless of whether such rights are reserved by the owners or rightful beneficiaries of such works.
2. All staff shall have the duty to maintain the Company's intellectual property works and shall not use or allow any third parties to use the Company's intellectual property without permission.
3. Any discovery or invention for improvement by staff during their employment with the Company, which is related to or effective on or connected with the Company's business in any way, shall be treated as the Company's property and must be promptly disclosed to the Company.

4) **Procedures and Channels of Complaints**

4.1 **Submission of complaints**

The Company authorizes the Company Secretary accept complaints. If any stakeholders find any behavior or event which may violate or be contrary to the code of ethics or policies, they may submit complaints directly to directors or contact the Company Secretary.

Company Secretary : Bangkok Expressway Public Company Limited
No. 238/7, Asoke-Dindaeng Road, Bangkokpi
Subdistrict, Huaykwang District, Bangkok
10310

Telephone : 0 2641 4611

E-mail : companysecretary@becl.co.th

4.2 Procedures upon receipt of complaints

1. Fact-finding

The Board of Directors shall appoint or authorize a working group to personally find facts related to the violation or non-compliance with the code of ethics or policies.

2. Fact processing and screening

The authorized working group shall process and screen such facts and then consider proposing appropriate steps and actions for handling such complaints.

3. Measures

The authorized working group shall propose measures to deal with the violation or non-compliance with the code of ethics or policies to the Board of Directors' consideration so as to alleviate damage for those affected by such occurrence, taking the overall damage into account.

4. Report on results

The Company Secretary or the person authorized by the Board of Directors shall report on the results to the stakeholders who submit such complaints, if the complainants can be identified.

4.3 Measures to protect the complainants or those who provide cooperation in the investigation

The complainants or those who provide cooperation in the investigation shall be protected in accordance with the criteria, as follows:

1. The complainants or those who provide cooperation in the investigation of facts may choose to keep their identity undisclosed, should such disclosure may result in unsafety or any damage.
2. In case their identity is disclosed, the Company shall report on development of the fact finding.
3. The Company shall not disclose name-surname, address, photograph, or any other identity information of the complainants or those who provide cooperation in the investigation of facts.
4. The person who accepts complaints must keep related information confidential and shall disclose the same only to the extent necessary by taking into account safety and damage in respect of the complainants or those who provide cooperation in the investigation of facts, sources of information or related persons. If it is likely to cause damage or unsafety, appropriate protection measures shall be implemented.
5. Those who sustain damage shall be compensated by way of appropriate and fair procedures.

5) Corporate Social and Environmental Responsibility Policy

The Board of Directors sets out the corporate social and environmental responsibility policy as guidelines for all activities in its business operations in the interests of all related stakeholders. The Managing Director, as Management, shall propose sub-policies on each issue, action plans, and goals in line with the key policy, considering corporate key performance indicators in terms of finance, customers, work process, and knowledge and skill development. In this regard,

the Company's internal work units shall prepare budget, annual/monthly plans, manuals, process, including key performance indicators at the work unit level, to ensure the efficient performance subject to the key policy and in line with international standards, namely, ISO 9001 Quality Management System and ISO 14001 Environment Management System.

1. Corporate Social and Environmental Responsibility in Process of the Company's Business Operations (CSR In Process)

1. Staff

The Company gives priority to development of staff's skills, provision of opportunities for staff to perform, and care for the quality of life, staff morale and encouragement. To this effect, the Company then sets out a personnel development plan, a fair and measurable performance evaluation with PMS, clear rules for promotion, and payment of appropriate remuneration through its participation in annual survey of wages and remuneration, in comparison with other organizations, as well as continuing support for development via quality activities.

Objectives: Staff shall be loyal to the organization, enjoy working in their workplace, create and improve their works continuously, and provide good services to external customers, i.e., Expressway users, and internal customers, i.e., staff who work in the next work process.

2. Products and services: Expressway service

(1) Expressway construction technology: Given that the Expressways under the Company's operations are expressways in the center of Bangkok and business zones, the Company is well aware to minimize any impacts on at-grade traffic, and keep dust and noise problems during construction to a minimum. As such, the Company utilizes state-of-the-art technology available at such time and complies with AASHTO safety standards.

Objectives: The construction shall proceed as planned without any impact of pollution on nearby society and communities.

(2) Expressway maintenance for available and safe service: It is the Company's core, necessary and essential duty to carry out the preventive maintenance (PM) and the corrective maintenance (CM) according to plans in line with the useful life of the structures and equipment. In addition, the Company's engineers, in association with the consulting engineers, regularly carry out a full-scale (100%) inspection of the structures.

Objectives: The Expressways shall be available for service throughout 24 hours for the Expressway users to reach their destinations with convenience, rapidity, and safety, to the satisfaction of the Expressway users and the Expressway Authority of Thailand, as the authority which granted the concession to the Company.

(3) Traffic management on the Expressways: The Company treats this issue as the heart of its services. The Company installs the surveillance system via CCTVs and emergency telephone system covering every route. Its Control Center is working 24 hours a day and standby staff at various points are ready to provide instant facilitation and assistance in case of an emergency on the Expressways, e.g., car accidents, breakdown or fuel run-outs.

Objectives: Recurrence of accidents shall be prevented for the Expressway users to rest assured of their safety over at-grade roads, other than its convenience and rapidity.

- (4) Continued service improvement: The Company forms a work unit responsible for research and development, comprising engineers and consultants with expertise in the field of transportation and traffic engineering to conduct study on improvement of the physical characteristics and inspection of the safety on the Expressways, utilizing computer software and applied international safety principles. Furthermore, the Company promotes staff innovation via its quality activities, namely, QCC (Quality Control Circle) on a P-D-C-A basis (Plan-Do-Check-Action) and SS (Suggestion System).

Objectives: Innovations or new projects shall be initiated for the Company to continuously develop and improve the services in terms of convenience, rapidity and safety.

3. Contractual parties/traders: Expressway Authority of Thailand, including contractors and suppliers

The Company carries out its obligations in strict compliance with the Concession Agreement, in close collaboration between high level executives and operational staff of both organizations. ISO 9001 Quality Management System is applied to ensure the quality services and continual improvement. As for treatment of traders, the Company adheres to contracts, agreements as mutually agreed, operates its business with fairness, equality and nondiscrimination. The Company expressly gives priority to the quality of goods or services which is reasonable to prices, trust and creditability, as well as mutual development and growth. The procurement process is thus in line with such guidelines, including the good corporate governance principles and ISO 9001 Quality Management System.

Objectives: The Company has the opportunities and is entrusted by the government sector to carry out new projects in the future, including creditability, support and collaboration with contractual parties/traders, contractors, and financial institutions.

4. Society and environment

The Company has a sustainable development policy to upgrade the quality of services, the quality of life, along with the environmental responsibility, by continuously organizing appropriate activities, in line with the policy and budget approved by the Board of Directors. The Company puts in place such action plans to rapidly and efficiently respond to any events giving rise to an impact on environment and communities as a result of the Company's operations, and raises awareness of environmental responsibility in accordance with ISO 14001 Environment Management System.

Objectives: The Company shall ensure the excellence of its service to the service users' satisfaction and impression, subject to the good corporate governance principles. As a result, the Company shall receive the opportunities from society and trust from the government sector to continue its infrastructure service business.

6) Risk Management Policy

The Board of Directors foresees the significance of the Enterprisewide Risk Management (ERM) in the management systems and operations of importance to efficient and effective achievement of the specified objectives throughout the organization. The Corporate Governance and Risk Management Committee is then appointed to supervise and monitor the operations of all internal units of the organization to ensure compliance with the good corporate governance principles, and support the successful corporate risk management. The Company's risk management policy may be described as follows:

1. To prepare annual risk management plan subject to consideration and approval of the Corporate Governance and Risk Management Committee in respect of sufficiency and appropriateness to the current business circumstances.
2. To assign duties and responsibilities of all units to consider and review the assessment of levels of impacts on the Company's business operations, and the possibility of the current risks and potential risks in the future, and establish guidelines to keeping risks to a minimum or at an acceptable level.
3. To adopt a standard risk management process in accordance with international practices to ensure the efficient management of risks which may affect the Company's operations, resulting in the consistent risk management development throughout the organization.
4. To use the risk management system as part of decision-making, strategic planning, work plans and operations of the Company to achieve the objectives, goals, vision, missions, and to create a sustainable prosperity and confidence of all parties concerned.
5. To determine guidelines for prevention or reduction of risks at a level acceptable to the Company in order to formulate plans to manage and control risks to at an acceptable level. All work units must consider the justification of expenses or costs to implement risk management measures in comparison with expected benefits.
6. To regularly follow up and assess the results of risk management to make sure that the risk management is duly and properly conducted.

9.1.4 Disclosure and Transparency

- 1) The Board of Directors sets out a policy to disclose information to the public, whereby the Company's business operations shall be transparent and open for inspection with sufficient information disclosure equally to all parties concerned. The Managing Director shall have power to disclose information and ensure the accurate, complete, timely and transparent disclosure of material information relating to the Company, both financial and non-financial, as required by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In regard to the compliance with the good corporate governance principles, the Board of Directors sets out the disclosure guidelines and ensures the Company's report on compliance with best practices and policies, including any noncompliance, together with an explanation.

- 2) The Company sets up the Investor Relations to represent the Company in communicating information useful to shareholders, debenture holders, investors, securities analysts, mass media, including relevant parties. The Company has also been a member of Thai IR Club since 2005, and set up an Investor Relations unit for communication purpose, and a dedicated team ready to provide information and news to investors and securities analysts, and mass media, make appointment, as well as coordinating with shareholders, debenture holders, and investors to ensure sufficient and equal access to appropriate information without any discriminatory treatment of any specific groups. Interested investors may contact the Investor Relations Department, at 0 2641 4611 Ext. 6200 or 6221. Investors, who find it inconvenient to visit the Company's Office No. 238/7, Asoke-Dindaeng Road, Bangkok Subdistrict, Huaykwang District, Bangkok 10310, may contact to make a conference call or sign up for the news mailing list via the website or submit questions or e-mail to ir@becl.co.th.

Other than the mandatory disclosure pursuant to the practices and legal requirements, the Company also has a policy to rotate high level executives to participate in providing information and answers to investors' questions so that they would be personally aware of opinions and requirements of Thai and foreign investors. The Managing Director, the Assistant Managing Directors, the Finance Division General Manager and the Company Secretary regularly participate in the Company's Investor Relations activities.

- 3) The Company clearly sets out the authorization levels of information available to executives at each level, and their authorized access to such information for public disclosure, by means of communicating and ensuring proper understanding of information for investors, internal and external agencies of the Company, as well as contacting and coordinating with investors, collecting investors' opinions, and communicating with high level executives to staff at all levels, as follows:

3.1 Internal communications

Although the Board of Directors and high level executives may have full access to all information of the Company, the Managing Director is appointed to be the authorized person to disclose such information to the Stock Exchange of Thailand and answer questions to the public and the press, in accordance with the Company's disclosure policy.

The Board of Directors, executives, advisors and staff of the Company are obliged to keep any undisclosed information confidential. The Company's work rules and regulations prohibit staff from disclosing the Company's confidential information to any third parties or abusing their positions for personal gains or others. Any violation is deemed a disciplinary misconduct liable to termination of employment. In the past, there has never been any occurrence of misuse of inside information for personal interests or others.

Moreover, the Company has also developed a control system on use of the Company's information by adopting such information security systems as the restriction of access to the Company's information by authorization level of staff's access to the Company's information based on their responsibilities. To prevent executives' misuse of the Company's inside information for securities trading, the Company has policies and procedures for controlling the use of inside information by directors, executives and staff to prevent any occurrence of the use of inside information for personal interests or others.

The Company's disclosure of information to staff shall be the same as the public disclosure in terms of accuracy, frequency and timeframe. The Investor Relations Department prepares and submits monthly IR Reports, which collect and summarize investors' questions and opinions on the Company's business operations, to the Management, in order to present useful suggestions or feedback of investors to the Management for further improvement of the Company's operations.

3.2 External communications

The Board of Directors shall make sure that the Company's disclosure of material information follows the specified policy and requirements. The disclosure is prepared both in Thai and English and made available via the Stock Exchange of Thailand's channel and on Company's website at www.becl.co.th. The Company regularly updates such information as, annual report, annual registration statement (Form 56-1), good corporate governance guidelines, the Company's profile and various policies, movements of traffic volume, toll revenue, loan status, operational results, financial ratios, securities price, dividend history, together with other information, e.g., corporate social responsibility activities and public relations news. These information and news are made available in support of decision-making by investors and relevant parties, together with monthly corporate presentation to investors, which is updated on the 10th day of the following month, so as to be regularly and timely available to all investors on the website. Users of such information shall have convenient access to such information in a timely manner to their best interests. Moreover, opinions and investment analysis of the Company by securities analysts from securities companies from www.settrade.com, which are compiled in the form of Analyst Consensus, are shared on the Company's website in order to assist investors in making their decisions to invest.

In the disclosure of financial report, the Board of Directors shall prepare the Report on Responsibilities of the Board of Directors towards the Financial Report to be presented along with the Report of the Auditor, as per the details on pages 13-10.

The provision of the Company's related information to securities analysts is also another main duty of the Investor Relations Department since the Company's information is made available in the Analyst Consensus to assist investors in making their decisions to invest. The Investor Relations staff then are assigned to provide such information to ensure correct understanding and maintain good relationships with securities analysts. Staff may review and revise the Analyst Consensus for the purpose of accuracy, as opposed to guiding or distorting the Analyst Consensus by securities analysts, or may revise only such facts which have been outdated or disclosed to the public, in which case, such revision is not treated as guiding investment.

Other than the public disclosure, the Company also participates in various activities to serve as disclosure channel to directly meet with investors and hear their opinions as well as creating good relationships with investors via activities, such as, Roadshow, Opportunity Day, Company Visit, Analyst meeting, exhibition booths, etc. The Company's management staff shall be rotated to accompany the Investor Relations staff to

communicate and provide better explanations in support of their decisions to invest.

In 2013, the Company organized Company Visits and Conference Calls, and Press Interview, as well as participated in local and international Road Shows organized by various institutions for foreign investors, as follows:

- Pulse of Asia Conference in Singapore organized by DBS VICKERS SECURITIES in Singapore;
- NDR Roadshow organized by DBS VICKERS SECURITIES in the United Kingdom and the United States of America;
- J.P. Morgan's Thailand Conference 2013 organized by J.P. Morgan (Thailand);
- TISCO Corporate Day organized by TISCO Securities Company Limited;
- Thanachart Assets to Funds Day organized by Thanachart Fund Management Company Limited;
- Investment Malaysia 2013 organized by Maybank Kim Eng Securities (Thailand) Public Company Limited in Malaysia;
- Thailand Focus 2013 organized by the Stock Exchange of Thailand, Phatra Securities Company Limited and Bank of America Merrill Lynch;
- Thailand Investor Conference organized by the Stock Exchange of Thailand and KT Zmico Securities Company Limited in New York, the United States of America;
- Asia-Pacific Industrials, Infrastructure and Transportation Corporate Day organized by MACQUARIE SECURITIES LIMITED in Hong Kong.

The foregoing events were the opportunities for the Company to provide appropriate clarification on the operational results and progress of the investment projects and for the Management to answer questions to investors and the press equally and fairly. The Company also participated in the "SET in the City 2013" investment fair organized by the Stock Exchange of Thailand to provide material, necessary and accurate information for investment decisions to the general public, including investors and institutional analysts.

The Company organizes the Company Visit program for allowing shareholders to visit and meet its Management. The Company also publishes Si Rat newsletter for disseminating business information, which has been delivered to all shareholders and debenture holders of the Company bimonthly. In addition, the Company surveyed opinions and requirements of analysts and investors in relation to quality of communication and Investor Relations activities in 2013 for further improvement. The survey revealed that the provision of service in such Investor Relations activities was satisfactory representing 95.02 percent.

4) Rules on securities trading by inside information users

Other than the report on securities trading of executives in accordance with the requirements of the Office of the Securities and Exchange Commission, in regard to other executives along with staff who are authorized to access the Company's material information which may influence securities price movements, a securities trading by usage of inside information, such as, information on capital increase or decrease, dividend payment, the Company's operational results, joint investments, etc., is considered as taking advantage of general investors. In this respect, the Company prevents any insiders' purchase or sale of securities by requiring its executives to report on their securities trading in accordance with the rules as required by the Stock Exchange of Thailand, whereby all insiders should refrain from trading securities or should wait until the public has been informed of such information with a reasonable period of time to study.

9.1.5 The Board of Directors' Responsibilities

The Board of Directors acknowledges its role and responsibilities to set policies and directions of the Company's operations under the laws, its business objectives, the Articles of Association, as well as resolutions of shareholders' meetings. The Board shall monitor and supervise the Management to efficiently and effectively perform in compliance with the specified policies in order to protect the Company's interests, maximize its economic value and great wealth for shareholders based on the good corporate governance principles. The Board of Directors complies with the best practices of the Stock Exchange of Thailand in various aspects, as follows:

1. The Board of Directors' Structure

- 1.1 The structure of the Board of Directors consists of 12 qualified members with useful skills, knowledge and experience to efficiently perform their duties, comprising five executive directors, four independent directors and three non-executive directors, constituting a counterbalance from non-executive directors. In this regard, the Company has four independent directors, which represent one-third of all directors. The Chairman of the Board of Directors is an independent director by the definition of the Stock Exchange of Thailand, has no relationship with the Management and is not the Managing Director, so as to separate between the policy making and supervisory duty and the regular managerial duty. In addition, one director as the Expressway Authority of Thailand's who has experience in the Company's core business is a non-executive director.
- 1.2 The Board of Directors comprises four independent directors who are able to independently provide opinions on the Management Team's performance, according to the number as required by the Office of the Securities and Exchange Commission. The Company also determines qualifications of "independent directors" stricter than the minimum requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 1.3 Directors shall have a term of office of three years, whereby the retiring directors may be re-elected. At every annual ordinary general meeting of shareholders, one-third of the number of directors shall vacate their office and if the number of directors is not a multiple of three, then the number nearest to one-third must retire from office.

- 1.4 The Chairman of the Board of Directors and the Managing Director shall not be the same person so as to separate between the policy making and supervisory duty and the regular managerial duty. The Board of Directors clearly determines powers and duties of the Chairman of the Board of Directors and the Managing Director. The Chairman of the Board of Directors is an independent director by the definition of the Stock Exchange of Thailand and has no relationship with the Management
- 1.5 The Board of Directors has no policy to limit the number of companies in which each director may hold directorship since, after considering the matter; it is of the view that all directors devote their time to regularly attend meetings.

2. Subcommittees

The Company has established four subcommittees to closely monitor and supervise the operation and regularly report to the Board of Directors, namely, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Risk Management Committee, and the Executive Board. In this regard, the Board of Directors has determined duties and responsibilities of each subcommittee as detailed on pages 9-33 to 9-39.

3. Role, Duties and Responsibilities of the Board of Directors

- 1) The Board of Directors comprises personnel from the business sector and from various professional fields, with leadership, vision, knowledge, ability and experiences in various fields, and has independency on decision making for the optimum benefits to the Company and shareholders as a whole. The Board of Directors participates in determination, approval of vision, missions, strategies, targets, business plan and budget of the Company, and supervises the Management to take actions to ensure compliance with the business plans and forecast budget with efficiency and effectiveness so as to result in the optimum economic value to the business and build up confidence to shareholders.
- 2) The Board of Directors has established the corporate governance policy which shall be reviewed at least once a year.
- 3) The Company has prepared its code of business ethics since 2002, with the approval by the Board of Directors, whereby the code of business ethics contains proper conduct and practices for directors, executives and staff, specifying guidelines for conduct and treatment towards the Company, colleagues, third parties and society, in accordance with the ethics. In this regard, during the past, all directors, executives and staff have been informed and well understood of the proper and ethical conduct and complied with such practices in the performance of their duties in line with the Company's mission, with honesty, integrity and equality, to build up confidence of shareholders and all interested groups, including the public and society.
- 4) In consideration of any transactions which may have conflict of interest, interested directors shall not attend nor vote on such matter at the meeting.
- 5) In respect of risk management, the Board of Directors followed up and acknowledged risk management plan of the Company from the Management's report on operational results in every the Board of Directors' meeting and from Report of the Corporate Governance and

Risk Management Committee.

In addition, the Company requires that the Company's code of business ethics shall be regularly reviewed. Should the proper conduct and practices in the Company's code of business ethics not cover its business operation; the Company will immediately amend the same to ensure appropriateness. Other than the survey on the compliance with the Company's code of business ethics for directors, executives and staff on a yearly basis, with their signatures to express their responsibility for the compliance with the Company's code of business ethics, the Company has continuously supported training on corporate governance on a yearly basis to high and middle level executives, so as to enhance their knowledge, understanding, visions, and good attitudes towards the Company's management in compliance with the good corporate governance principles to build leadership and succession to the management, as well as the performance of their duties and corporate motivation, with the morality and ethics.

The Board of Directors and executives adhere to the guidelines for the good corporate governance principles by improving their conduct and practices towards stakeholders to ensure compliance with such guidelines on a regular basis, e.g., independence of the Chairman of the Board of Directors, giving priority to shareholders to the extent that the Company received an "Excellent" rating of the ordinary general meeting of shareholders from the Office of the Securities and Exchange Commission in association with the Listed Companies Association and the Thai Investors Association in 2007 to 2013 consecutively. In addition, the Board of Directors received the honorable awards for the "Board of the Year for Distinctive Practices" in the announcement of the results of the Board of the Year Awards for the years 2006/07 by the Thai Institute of Directors Association in association with the Stock Exchange of Thailand and other relevant authorities for commending the boards of directors having efficient and effective performance.

4. The Board of Directors' Meetings

Names of Directors	Attendances / Total Number of Meetings				
	Board of Directors	Executive Board	Audit Committee	Nomination and Remuneration Committee	Corporate Governance and Risk Management Committee
1. Dr. Virabongsa Ramangkura	4/4				
2. Prof. Suphachai Phisitvanich	4/4		4/4		2/2
3. Gen. Sampao Choosri	4/4		4/4	1/1	2/2
4. Dr. Annop Tanlamai	4/4		4/4	1/1	2/2
5. Mr. Plew Trivisvavet	4/4	11/12		1/1	
6. Mr. Supong Chayutsahakij	4/4	12/12		1/1	2/2

Names of Directors	Attendances / Total Number of Meetings				
	Board of Directors	Executive Board	Audit Committee	Nomination and Remuneration Committee	Corporate Governance and Risk Management Committee
7. M.L. Prasobchai Kasemsant	4/4	9/12			
8. Mr. Panit Dunnvatanachit	4/4				
9. Miss Arisara Dharamadhaj	4/4				
10. Mrs. Vallapa Assakul	4/4	10/12			
11. Mr. Chavalit Wathanakul ⁽¹⁾	2/2				
12. Mrs. Payao Marittanaporn	4/4	12/12			

Remark : ⁽¹⁾ Mr. Chavalit Wathanakul was appointed on 27 February 2013 and resigned on 1 October 2013.

1) The Board of Directors' Meetings

The Company shall give prior notice of annual schedule of the Board of Directors' meetings, together with the main agenda, to directors so as to allow directors to be able to manage time to attend the meetings. Pursuant to the Articles of Association, the Board of Directors must meet every three months; a quorum shall consist of not less than 60 percent of the total number of directors; and every director shall attend not less than 75 percent of the total number of the Board of Directors' meetings held each year. However, the Board of Directors appoints the Executive Board to help provide the Management with suggestions and advice, and review the operations in compliance with the Company's policies and work plans in various aspects to ensure the efficiency, whereby the Executive Board shall meet every month in order to closely follow up performance of the Management.

By virtue of the improved operational practices in November 2013 in accordance with the good corporate governance principles for listed companies 2012, the Company determines the number of the Board of Directors' meetings to be at least six times a year and the report on the operational results is required to be submitted to the Board of Directors for acknowledgement in the month without meeting, which shall commence in 2014 onwards.

The Managing Director Office delivers the notice of each meeting and agenda as clearly pre-determined, for 10 days prior to the meeting date and delivers the supporting documents in advance at least five days prior to the meeting date, so as to allow the Board to review the same prior to the meeting.

The agenda shall be determined by mutual discussion between the Chairman of the Board of Directors and the Managing Director. In 2013, all directors attended the meetings representing 100 percent of the total number of meetings, namely, four times, between non-executive directors and without the Management in order for the directors to independently discuss and exchange their opinions and to efficiently follow up the performance of the Management.

In every meeting, the Chairman of the Board of Directors shall serve as the chairman of the meeting to ensure each item shall be carefully considered and all directors shall be allowed to express their opinions and take part in discussions. In addition, the high level executives will attend the meeting to clarify the information in the capacity as persons directly relevant to the problems to the satisfaction prior to passing resolution on each item.

Moreover, the Board of Directors sets out a policy to prohibit directors and executives who are connected persons or interested persons in relation to any items to be considered from attending the meeting or voting on such item, whereby the Management shall give prior notice to such directors and executives who are not allowed to attend the meeting or vote on such item. In considering a connected person and interested person, the Board of Directors shall take into account such report on interests which all directors and executives shall have a duty to submit in accordance with the Board of Directors' policy requiring directors and executives to report their personal interests in order to disclose such information to the Chairman of the Board of Directors and the Audit Committee Chairman.

2) Subcommittees' meetings

2.1 Audit Committee

The Audit Committee shall regularly meet at least every quarter with the Company's auditor, the internal auditor and the Management and executives responsible for account and finance, for review of financial statements on a quarterly basis and report to the Board of Directors, or in case the Management Team would execute any connected transactions or transactions relating to asset acquisition or disposal which shall take into account appropriateness, justification and the utmost benefit of the Company, the Audit Committee Chairman may convene additional meeting. In 2013, the Audit Committee convened four meetings and there was one meeting with the auditor without the Management.

2.2 Nomination and Remuneration Committee

In 2013, the Nomination and Remuneration Committee convened one meeting for nomination of qualified persons to be proposed and appointed as directors of the Company to replace the directors who retired by rotation and directors who resigned prior to the end of term, and for review of remuneration of directors for 2013 and bonus for 2012 for submission to the 2013 Annual Ordinary General Meeting of Shareholders for approval and consideration of remuneration for the Managing Director in accordance with the results of performance evaluation for submission to the Board of Directors for approval. According to the improved operational practices in November 2013 in accordance with the good corporate governance principles for listed companies 2012, the Company determines the number of the Nomination and Remuneration Committee's meetings to be at least twice a year, which shall commence in 2014 onwards.

2.3 Corporate Governance and Risk Management Committee

In 2013, the Corporate Governance and Risk Management Committee convened two meetings for following up and evaluating the results of performance in compliance with the good corporate governance principles and considering the risk management plan of the Company.

Moreover, after consideration of the Company's compliance with the good corporate governance principles, comprising five categories, in accordance with the best practices in the "good corporate governance principles for listed companies 2012", the Board of Directors deemed it appropriate to improve the operational practices in line with the corporate governance policy for the listed company under the guidelines of the Stock Exchange of Thailand, whereby the Corporate Governance and Risk Management Committee shall meet at least once every quarter, which shall commence in 2014 onwards.

2.4 Executive Board

The Executive Board schedules to meet on every third Wednesday of each month. In 2013, there were a total of 12 meetings, to consider various matters within the scope of its authority and duties as assigned by the Board of Directors and to consider screening such matters to be proposed to the Board of Directors for consideration and approval. Most of the directors attended all meetings, except when they were engaged in urgent business.

5. Board Self-Assessment

The Board of Directors has a policy to assess the overall performance of the Board of Directors at least once a year. The Board of Directors and subcommittees are required to conduct self-assessment at least once a year, including assessment of the performance in accordance with the Company's code of business ethics. In addition, the Managing Director's performance shall be assessed by the Board of Directors at least once a year in accordance with the rules as specified by the Nomination and Remuneration Committee. Furthermore, the Board of Directors determines to review topics of assessment to ensure appropriateness and conformity to roles, duties and responsibilities of the Board of Directors.

In 2013, the Company Secretary delivered self-assessment form to each director for considering the overall performance of the Board of Directors so as to use the assessment results for improvement and correction of the Board of Directors' performance. In this regard, the opinions of most of directors can be summarized as follows:

- 1) Structure and Qualifications of the Board of Directors: The structure and qualifications of the Board of Directors are proper and suitable to the nature of business operations of the Company. The Board of Directors comprises personnel with sufficient knowledge and experiences in a variety of fields and performed their overall duties efficiently. In this regard, the Board of Directors appoints another four subcommittees, namely:

- (1) the Audit Committee with the duties to help supervise and monitor the business as well as considering the appropriateness and justifications of various transactions for the optimum benefit of the Company;
 - (2) the Nomination and Remuneration Committee with the duties to consider criteria and procedures of nomination of qualified persons to be appointed as the Company's directors based on transparency, fairness, without influence of any persons, including appropriate and competitive remuneration to retain competent directors;
 - (3) the Corporate Governance and Risk Management Committee with the duties to establish policies and directions of operations in respect of the good corporate governance of the Company, code of business ethics, including risk management; and
 - (4) the Executive Board with the duties to supervise and provide suggestions to the Management Team and proceed with other matters as assigned by the Board of Directors.
- 2) Role, Duties and Responsibilities of the Board of Directors: The role, duties and responsibilities of the Board of Directors are proper, namely, the Board of Directors gives priority and contributes sufficient time to consider significant matters relating to directions of the Company's business operations, review the good corporate governance policy of the Company, as well as ensuring compliance with various policies, review of the code of business ethics, together with monitoring to ensure that no conflict of interests arises from any connected transactions and transactions which may have a conflict of interests. The Board of Directors also follows the procedures as specified by taking into account the optimum benefit of the Company. Furthermore, the Board of Directors regularly reviews the internal control system to ensure good and sufficient internal control system and appropriate risk management, as well as following up and monitoring to ensure performance of duties of the Management in accordance with the policies as assigned by the Board of Directors.
- 3) The Board of Directors' Meeting: The Board of Directors' meetings are proper, namely, the Company gives prior notice of annual schedule of the meetings, together with the main agenda, to directors so that they would be able to manage their time to attend every meeting. The number of meetings and agenda are suitable, thereby supporting the Board of Directors to perform duties efficiently and be able to supervise and monitor the Company's business operations with success. Moreover, directors also receive supporting documents prior to each meeting and have sufficient time to study additional information in preparation for each meeting. The supporting documents contain sufficient information for decision making to the benefit of the Company. Furthermore, the atmosphere at each Board of Directors' meeting allows all directors to express constructive opinions without any influence of any persons. In addition, directors could fully discuss significant issues at each meeting.
- 4) Directors' Duties: Directors' performance of duties is satisfactory, namely, they are well prepared and sufficiently study information prior to each meeting and regularly attend the meetings. In addition, directors independently provide their opinions and impartially consider various matters and are independent on passing resolutions, including useful

suggestions for the Company's operations; and understand the significance of each matter and properly contribute their time to consider such matter and accept different opinions among directors without conflict.

- 5) Relations with the Management: The relations with the Management are proper. Directors could straightforwardly discuss with the Managing Director and maintain good relations with the Management, whereby the Managing Director could request directors' advice as necessary and the Board of Directors does not intervene in performance of duties of the Management. Moreover, the Board of Directors also participates in solving problems as appropriate in case the Management's performance of duties does not meet the operational plans and forecast budget.
- 6) Self-Development of Directors and Development of Executives: The self-development of directors and development of executives are satisfactory, namely, directors understand their role, duties and responsibilities, have sufficient knowledge and understanding of the Company's business, pay attention to significant information or news relating to economic and industrial conditions, changes in rules and regulations and the state of competition, which would allow directors to efficiently perform their duties. In this regard, all directors are trained to ensure their understanding of performance of duties in the capacity of directors. Furthermore, in case of new directors, the Board of Directors would have the Management provide documents or briefing for the new directors to understand the business and performance of duties as directors. In addition, the Board of Directors also sets out the succession plan to ensure continuity of performance of duties of the Company's high level executives.

The Corporate Governance and Risk Management Committee shall adopt the self-assessment results of the Board of Directors as information for proposing the practice and guidelines of the Board of Directors in compliance with the good corporate governance principles to the Board of Directors for consideration as appropriate.

6. Assessment of Performance in Compliance with the Company's Code of Business Ethics

The Board of Directors set out the Company's code of business ethics since 2002 as principles and goals of the Company's business operations, and guidelines for performance of all directors, executives and staff. Directors and staff shall regularly assess their performance in compliance with the Company's code of business ethics every year. In this regard, the overall results of assessment of directors and executives are summarized as follows:

- 1) Proper Conduct and Practices towards the Company: Directors and executives have performed their assigned duties in accordance with the Company's legitimate policies and objectives with integrity, taking into account public interest, realizing the significance of equal treatment to all shareholders, including all stakeholders, upgrading the quality of life of staff under the sustainable development policy, taking care of society through social activities. In this regard, all directors of the Company have performed their duties by using managerial knowledge and skills to their best efforts; attended training from various institutions to boost their knowledge and abilities as well as attempting to regularly study various management methods; laid down legitimate and proper measures to monitor, protect and secure any property of the Company;

and protected the Company's interest; refrained from taking any acts which might give rise to conflict of interest to the Company; kept the Company's confidential information accessible to them by their position and duty, and refrained from using such information for personal gain or in any manner which may cause damage to the Company's reputation.

- 2) Conduct and Practices towards Staff: The Company sets out fair and appropriate remuneration for staff based on their work performance, and the Company is well aware that staff are key resources to its business movements and a crucial factor to the Company's success. In this regard, the Company also promotes staff to attend training or further study for enhancing their operational skills and competency; accepts and appreciates them as appropriate; treats them with generosity and fairness in strict compliance with the work rules and regulations and relevant laws. The Company creates a working environment that is open to initiatives, listens to useful opinions and suggestions of staff through the quality activities; always keeps the working environment safe for life and property of staff; and ensures that all staff must be aware of their own rights, power, duties and responsibilities, as well as the disciplines.
- 3) Conduct and Practices towards Outsiders: The Company treats those in business contact with the Company fairly without barrier, special treat, discrimination, by complying with the common conditions, rules, regulations, traditions as specified in the corporate governance policy as well as directing the Company to operate business with committed development and sustainable relationship.
- 4) Conduct and Practices towards Society: The Company has been operating its business in accordance with the sustainable development policy by taking into account proper duties and responsibilities towards the country, society and environment; and providing cooperation for contributions to society through various social activities. Furthermore, the Company promotes and raises social and environmental awareness to the Company's staff at every level to refrain from causing any damage to the natural resources and the environment and act as role model in strict compliance with the relevant laws and regulations.

7. Assessment of Performance of the Managing Director

All directors of the Company, except the Managing Director, shall constantly implement the assessment of performance of the Managing Director on a yearly basis since 2007 in accordance with the criteria specified by the Nomination and Remuneration Committee and the Nomination and Remuneration Committee shall be assigned by the Board of Directors to propose remuneration and other benefits as appropriate for the Managing Director, taking into consideration the Corporate KPIs used in the annual assessment of performance in order for the Board of Directors' approval.

8. Remuneration of Directors and Executives

Remuneration for directors : The Company establishes clear and transparent policy on remuneration for directors and the Managing Director in line with the scope of duties and responsibilities of each director serving as chairman or subcommittee member, subject to review by the Nomination and Remuneration Committee. The remuneration shall be at the same level as that in the same industry and sufficiently high to retain the qualified directors.

Remuneration for Managing Director : The Nomination and Remuneration Committee shall consider the remuneration for the Managing Director in accordance with the Company's operational results under the Corporate KPIs and the Managing Director's performance for proposing to the Board of Directors for consideration each year.

Remuneration for executives : Remuneration for executives, excluding the Managing Director, shall be in accordance with the principles and policies determined by the Executive Board corresponding to the Company's operational results and performance of each executive based on the Performance Management System: PMS.

The amount of remuneration in 2013 appears in Remuneration of Directors and Executives on pages 8-5 to 8-8.

9. Development of Directors and Executives

1) Directors and Executives Training

The Board of Directors has a policy to support and facilitate training and learning for its directors and executives to ensure their continued improvement and performance, both internal and external training courses. All directors must attend training for understanding of performance of their duties in the capacity as directors

The Board of Directors and the high level executives realize the significance of their participation in training or seminars in various courses or development of their knowledge and skills. The Board of Directors attends training courses organized by the Thai Institute of Directors Association (IOD), namely, Director Certification Program (DCP), Directors Accreditation Program (DAP), Board Performance Evaluation, The Role of Chairman (RCP), Audit Committee Program, Role of Compensation Committee (RCC) (as per Information of Company Executives on pages A1-1 to A1-9).

In this regard, the Company also send directors to regularly participate in various training courses as organized by the IOD. In 2013, Professor Suphachai Phisitvanich, Chairman of the Corporate Governance and Risk Management Committee, participated in the Chairman Forum 2/2013: Roles of the Chairman of the Board of Directors in Promoting the Code of Business Ethics, as organized by the IOD.

2) Orientation for New Directors

The Board of Directors determines the operational practices for the Company to arrange for orientation for newly-appointed directors and have the Management provide documents or briefing for the new directors to understand the business and performance of duties as directors. The Board of Directors assigns the Managing Director, the Company Secretary and the Managing Director Office to have the duty to arrange for orientation for newly-appointed directors by convening a meeting with the relevant directors and/or executives and/or officers for clarification and answer to questions. In 2013, a new director was appointed, whereby the Company followed the operational practices by briefing the Company's information as well as preparing documents and summary

information for the new director, such as, information relating to the Company, listed company director's handbook, the good corporate governance principles, code of business ethics, power and duties of the Board of Directors, the annual schedule of the Board of Directors' meetings. Furthermore, the Company also has its directors attend a training course, as suggested by the Office of the Securities and Exchange Commission, as conducted by the Thai Institute of Directors Association (IOD).

10. Succession Plan

The Board of Directors prepares and reports on succession plan for the positions of Managing Director and the high level executives and in the primary line, by significantly taking into account the performance, potentials and readiness of each person. In this regard, the Company makes preparations for those potential successors in the development of their knowledge, competency and skills as required for their work positions for succession in the absence of the Managing Director or executives in the key positions to perform duty.

The Company sets out succession plan for the high level executives of the Company, particularly executives and work positions in the primary line, by emphasizing on the nomination of internal personnel, whereby promotion shall be considered every year under the specified criteria for development of personnel with good performance and competency for advancement to a higher position in accordance with the staff's line of command, both the middle level executives and staff. The Consideration Committee, comprising the Managing Director and executives at the General Manager level or higher or the middle level executives, shall consider this matter in accordance with the specified criteria. With regard to the implementation of strategy and succession plan of the high level executives, who may be changed or vacate office by rotation or retirement, the Nomination and Remuneration Committee's meeting shall review the principles, and select knowledgeable and qualified person, while the Board of Directors shall consider appointing person at the Managing Director level, and the Executive Board shall consider appointing the executives at the General Manager level and higher. As at 31 December 2013, the ratio of the executives at the General Manager level and higher through internal nominations represented 83 percent.

The executive who has been determined to succeed to an office shall not only be qualified and experienced in the appropriate field, but shall have also accepted transfer of knowledge and experience with rotation to other related work units as well as attending the additional necessary training courses to be well prepared in the performance of duties in a higher position in the future, and to ensure smooth succession and continued management. The Company sets up the human resource management system with sufficient allocation and following up of the assessment in respect of nomination process for qualified and knowledgeable person as required, appropriate and fair remuneration, determination of duties and responsibilities, performance of personnel, performance standard, personnel development and efficient communication, to ensure that the staff has knowledge and skills, and the Company's human resource management is efficient and suitable based on the Performance Management System: PMS which has been used as the performance assessment tool since 2010 until the present, for two times, by emphasizing the development of the competency of staff and clarity of the assessment of performance in support of consideration of remuneration as appropriate for their capabilities and performance. In this regard, the Company has followed up the application of the Performance Management System (PMS) for continued improvement and in order to ensure the genuine development of the personnel competency.

9.2 The Board of Directors' Structure

The Board of Directors' structure comprises the Board of Directors and other four subcommittees, namely, the Audit Committee, the Corporate Governance and Risk Management Committee, the Nomination and Remuneration Committee, and the Executive Board, with the Managing Director as the top executive of the Management Team, totaling 18 persons.

Details of such four subcommittees, their powers and duties as well as the nomination procedures are in accordance with their respective charters, as follows:

9.2.1 Board of Directors

- | | | |
|-----|---|------------------------------------|
| 1. | Dr. Virabongsa Ramangkura | Chairman of the Board of Directors |
| 2. | Prof. Suphachai Phisitvanich | Director |
| 3. | Gen. Sampao Choosri | Director |
| 4. | Dr. Annop Tanlamai | Director |
| 5. | Mr. Plew Trivisvavet | Director |
| 6. | Mr. Supong Chayutsahakij | Director |
| 7. | M.L. Prasobchai Kasemsant | Director |
| 8. | Mr. Panit Dunnvatanachit | Director |
| 9. | Miss Arisara Dharamadhaj | Director |
| 10. | Mrs. Vallapa Assakul | Director |
| 11. | Mr. Sudthisak Wattanavinid ⁽¹⁾ | Director |
| 12. | Mrs. Payao Marittanaporn | Director |

Remark : ⁽¹⁾ Mr. Sudthisak Wattanavinid was appointed on 26 February 2014 to replace Mr. Chavalit Wathanakul who resigned on 1 October 2013.

The Board of Directors' Authority and Duties

- Supervising the Company's operations to ensure compliance with laws, detailed objectives and the Articles of Association, as well as resolutions of shareholders' meetings, and protecting the Company's interest based on the good corporate governance principles.
- Determining policies and directions of the Company's operations and supervising the Management to take actions to ensure compliance with the policy with efficiency and effectiveness so as to result in the optimum economic value to the business and great wealth to shareholders.
- Convening the annual ordinary general meeting of shareholders by no later than four months from the Company's yearend account closing date and convening extraordinary general meeting of shareholders as required.
- Convening the Board of Directors' meetings on a quarterly basis, and each meeting requires at least 60 percent of all directors. Decisions of the meeting shall be made by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have an additional casting vote.

5. Considering approval for budget for investment and the Company's annual business operations, including monitoring use of the Company's resources.
6. Providing complete, correct and sufficient reports on financial information, the Company's information and general information which are important for shareholders, and affirming the certification of the reported information.
7. Introducing to the Company an internal control system, internal audit and efficient measures to manage risks, as well as following up on such matters on a regular basis.
8. Considering clearly determining and separating roles, duties and responsibilities among the Board of Directors, subcommittees and the Management, with regular communication regarding such roles, duties and responsibilities to the Board of Directors, subcommittee members, the Management and staff of the Company.
9. Supervising the Executive Board to comply with the specified policies and the Executive Board is authorized to approve any transaction binding upon the Company in an amount of not exceeding Baht 50 Million per transaction, excluding those transactions giving rise to conflict or interest, including such transactions requiring approval from shareholders as per the regulations of the SEC and the Stock Exchange.

The Chairman of the Board of Directors' Authorities and Duties

1. Monitoring the administration by the Management.
2. Providing suggestions for the business operations through the Executive Board and the Managing Director on a regular basis without interference in the routine works under the responsibility of the Management. The Chairman of the Board of Directors also plays an important role in making decisions on the Company's policies.
3. Jointly considering and setting out the business goals with the Management.
4. Having a duty to preside over both the Board of Directors' meetings and the shareholders' meetings to ensure the efficiency and effectiveness in such meetings, by encouraging all directors to participate in each meeting and independently provide opinions.
5. Ensuring their strict compliance with the good corporate governance principles and taking into account the shareholders' rights.

9.2.2 Audit Committee

The Board of Directors appointed the Audit Committee to assist in supervising the Company's business, whereby Prof. Suphachai Phisitvanich, an independent director who has the knowledge in the field of accounting and finance, was appointed to hold office as Audit Committee Chairman, whereby the General Manager of the Internal Audit Office shall serve as secretary to the Audit Committee. As at 31 December 2013, the Audit Committee comprises three independent directors as listed below:

- | | | |
|----|---|--|
| 1. | Prof. Suphachai Phisitvanich ⁽¹⁾ | Audit Committee Chairman
(Independent Director) |
| 2. | Gen. Sampao Choosri | Audit Committee Member
(Independent Director) |

- | | | |
|----|--------------------|--|
| 3. | Dr. Annop Tanlamai | Audit Committee Member
(Independent Director) |
|----|--------------------|--|

Remark: ⁽¹⁾ Prof. Suphachai Phisitvanich serves as Audit Committee member with the knowledge in the field of accounting and finance.

The Audit Committee's Authority and Duties

1. Reviewing to ensure that the Company's financial reports are accurate and adequate.
2. Reviewing to ensure the Company's internal control system and internal audit system are suitable and effective, considering the independence of the internal audit unit as well as granting approval on consideration for appointment, transfer, termination of employment of head of the internal audit unit or any other unit responsible for the internal audit.
3. Reviewing to ensure the Company's performance in compliance with the securities and exchange law, requirements of the Stock Exchange and the laws relating to the Company's business.
4. Considering, selecting, submitting for appointment of person who is independent to serve as the Company's auditor, proposing remuneration of such person as well as meeting with the auditor without the Management Team at least once a year.
5. Considering connected transactions or transactions which may have conflict of interest in compliance with the laws and requirements of the Stock Exchange in order to ensure that such transactions are justified and of the utmost benefit to the Company.
6. Preparing report of the Audit Committee to be disclosed in the Company's Annual Report, whereby such report must be signed by the Audit Committee Chairman and be comprised of at least the following information:
 - (a) Opinions on correctness, completeness, and reliability of the Company's financial reports;
 - (b) Opinions on adequacy of the Company's internal control system;
 - (c) Opinions on compliance with the securities and exchange law, requirements of the Stock Exchange or laws relating to the Company's business;
 - (d) Opinions on appropriateness of the auditor;
 - (e) Opinions on transactions which may have a conflict of interests;
 - (f) Number of meetings of the Audit Committee and attendance of each Audit Committee member;
 - (g) Overall opinions or observations by the Audit Committee from the performance of duties in accordance with the charter;
 - (h) Other matters that should be informed to shareholders and general investors within the scope of the duties and responsibilities assigned by the Board of Directors.
7. Supervising and monitoring the internal audit tasks by reviewing missions, scope of works, independence and development plan and provision of internal audit personnel training to catch up with the business changes and develop themselves on a continual basis, in order to accommodate the direction of the Company's operations and international standards, including consideration and approval of annual internal audit plans.

8. Performing any other activities as assigned by the Board of Directors to independently provide opinions and suggestions in line with the requirements and the Audit Committee's best practices of the Stock Exchange of Thailand.
9. In performing duties of the Audit Committee, should it find or there be any doubt as to whether or not the following transactions or actions may have a material impact on the Company's financial position and operational results, the Audit Committee shall report on such finding to the Board of Directors in order to improve and rectify the same within the time as the Audit Committee deems appropriate:
 - (a) Any transactions giving rise to a conflict of interests;
 - (b) Corruption or unusual occurrence or material fault in the internal audit system;
 - (c) Violation of the securities and exchange law, requirements of the Stock Exchange or laws related to the Company's business.

9.2.3 Nomination and Remuneration Committee

The Board of Directors appointed the Nomination Committee and the Remuneration Committee to perform the duty to nominate and consider remuneration for directors and the Managing Director to ensure transparency and fairness, by appointing General Sampao Choosri, an independent director, to hold the position of Chairman of the Nomination and Remuneration Committee in accordance with the good corporate governance principles which state that the chairman of each subcommittee should be an independent director. As at 31 December 2013, the Nomination and Remuneration Committee comprises four members as follows:

- | | | |
|----|--------------------------|---|
| 1. | Gen. Sampao Choosri | Nomination and Remuneration
Committee Chairman
(Independent Director) |
| 2. | Mr. Plew Trivisvavet | Nomination and Remuneration
Committee Member |
| 3. | Dr. Annop Tanlamai | Nomination and Remuneration
Committee Member
(Independent Director) |
| 4. | Mr. Supong Chayutsahakij | Nomination and Remuneration
Committee Member |

The Nomination and Remuneration Committee's Authority and Duties

1. Considering criteria and procedures of nomination as well as selecting and proposing qualified persons to hold the position of the Company's directors to the Board of Directors so as to nominate them to the shareholders' meeting, or proposing the nomination to the Board of Directors for consideration and appointment.
2. Considering selecting and proposing a qualified person to hold the position of the Managing Director to the Board of Directors for consideration and appointment.
3. Considering determining criteria for consideration of remuneration of directors and the Managing Director.

4. Considering determining remuneration of directors and proposing the same to the shareholders' meeting for consideration and approval.
5. Considering reviewing salary rates and other remunerations for the Managing Director and proposing the same to the Board of Directors for consideration and approval.
6. Proceeding with other matters as assigned by the Board of Directors.

9.2.4 Corporate Governance and Risk Management Committee

The Board of Directors appointed the Corporate Governance and Risk Management Committee to perform the duty to formulate policies and directions of operations in respect of the good corporate governance of the Company, including business ethics and to ensure performance of duties with transparency and independence in compliance with the guidelines of the good corporate governance which state that the majority of members of the subcommittees should be independent directors. Therefore, the Board of Directors appointed three independent directors to hold the position of the Corporate Governance and Risk Management Committee Members. As at 31 December 2013, the Corporate Governance and Risk Management Committee comprises four members as follows:

- | | | |
|----|------------------------------|---|
| 1. | Prof. Suphachai Phisitvanich | Corporate Governance and Risk Management Committee Chairman
(Independent Director) |
| 2. | Gen. Sampao Choosri | Corporate Governance and Risk Management Committee Member
(Independent Director) |
| 3. | Dr. Annop Tanlamai | Corporate Governance and Risk Management Committee Member
(Independent Director) |
| 4. | Mr. Supong Chayutsahakij | Corporate Governance and Risk Management Committee Member |

The Corporate Governance and Risk Management Committee's Authority and Duties

1. Studying and following up movement, tendency and performance in respect of the good corporate governance for submission to the Board of Directors for consideration as to appropriateness for adoption as guidelines for the Company's operations.
2. Improving and proposing the good corporate governance policy of the Company, including business ethics, to the Board of Directors.
3. Following up and evaluating the results under the good corporate governance principles of the Company as well as reporting the same to the Board of Directors.
4. Considering policies and work plans relating to risk management for submission to the Board of Directors for consideration.
5. Monitoring and reviewing overall risk management of the Company, strategies for risk management and alert system of all kinds of risks in order to deal with risks to stay at an acceptable level to ensure compliance with the risk management policy of the Company.

6. Reporting on risks and operations for minimizing risks to the Board of Directors.
7. Proceeding with other matters as assigned by the Board of Directors.

9.2.5 Executive Board

The Board of Directors appointed the Executive Board to assist in providing advice and suggestions to the Management and make other arrangements as assigned by the Board of Directors. As at 31 December 2013, the Executive Board comprises five executive directors as listed below:

- | | | |
|----|---------------------------|--------------------------------------|
| 1. | Mr. Plew Trivisvavet | Chairman of the Executive Board |
| 2. | Mr. Supong Chayutsahakij | Vice Chairman of the Executive Board |
| 3. | M.L. Prasobchai Kasemsant | Executive Director |
| 4. | Mrs. Vallapa Assakul | Executive Director |
| 5. | Mrs. Payao Marittanaporn | Executive Director |

The Executive Board schedules to meet monthly to consider various matters within the scope of its authority and duties as assigned by the Board of Directors and to consider screening such matters to be proposed to the Board of Directors for consideration and approval.

The Executive Board's Authority and Duties

1. Delivering guidelines for policy, supervising, providing suggestions and advice for the Managing Director and the Management, as well as determining the Corporate KPIs for use in the annual performance evaluation.
2. Setting up business plan, budget and managerial authority of the Company as assigned by the Board of Directors.
3. Inspecting, following up to ensure compliance with the Company's policies and plans with efficiency.
4. Conducting feasibility studies on new projects, such as, project granted by EXAT or under the Second Stage Expressway Agreement.
5. Having power to approve any juristic act binding upon the Company in an amount of not exceeding Baht 50 Million per act.
6. Having power to approve, appoint, remove, and determine salary and other remunerations, including expenses and facilities of the Company's officers or staff in the position of General Manager or higher, but not including the Managing Director.
7. The Executive Board or the Chairman of the Executive Board shall have power to convene the Executive Board's meetings and/or determine rules and regulations of the meetings as it deems appropriate.
8. Reporting on the Company's operational results to the Board of Directors.
9. Proceeding with other matters as assigned by the Board of Directors from time to time.

The Managing Director's Authority and Duties

The Board of Directors determines the Managing Director's authority and duties as follows:

1. Controlling and managing main business of the Company.
2. Monitoring all activities of the Company to ensure compliance with resolutions and policies as assigned and suggested by the Board of Directors.
3. Having power to approve any juristic act binding upon the Company in an amount of not exceeding Baht Two Million per act.

In this regard, the Board of Directors shall regularly evaluate performance of duties of the Managing Director for comparison with the target as determined on a yearly basis, whereby the Nomination and Remuneration Committee shall consider remuneration of the Managing Director by assessing from his/her performance in the previous year and proposing the same to the Board of Directors for approval under the criteria.

9.3 Nomination of Directors and Top Executives

(1) Nomination of Independent Directors

The Nomination and Remuneration Committee shall nominate directors who are qualified in terms of useful skills and experience for the Company and meet the qualifications of independent director by the definition of the Company's independent director, as follows:

1. Holding no more than 0.5 percent of the paid-up capital of the Company, its parent company, subsidiary, associated company, or legal entity which may have conflict of interest, including such shares held by related persons and other qualifications as stipulated by the Office of SEC (not exceeding one percent).
2. Having no involvement in the management, not being employee/staff/advisor receiving a regular salary or controller of the Company, its parent company, subsidiary, associated company, subsidiary at the same level or legal entity which may have conflict of interest at present and during the past two years prior to appointment.
3. Having neither relationship by blood or by legal registration in the capacity as parent, spouse, sibling and offspring, including spouse of the offspring, with any executive, major shareholder, controller or person to be nominated as executive or controller of the Company or its subsidiary.
4. Having neither business relationship with the Company, its parent company, subsidiary, associated company, or legal entity which may have conflict of interest at present and during the past two years prior to appointment in the following manners:
 - (1) Provision of professional services, i.e., auditor, other professional service provider receiving fee more than Baht 2 Million per year, such as, legal advisor, financial advisor, property appraiser, etc.
 - (2) Trading/business with a transaction value of Baht 20 Million or more or at least 3 percent of the Company's net tangible asset value, whichever is lower, and, in considering the transaction value, any transactions executed during the past six months prior to the date of this transaction execution shall be included.

5. Not being a director who is appointed as representative of any director, major shareholder or any shareholder who is a related person of any major shareholder of the Company.
6. Not having any other characteristics preventing him/her from giving an independent opinion.

(2) Nomination of Directors and High Level Executives

(2.1) Nomination of Directors

(2.1.1) Criteria

The Nomination and Remuneration Committee shall consider nominating persons to be appointed as directors to replace those directors who vacate office, both resignation prior to the end of term and retirement by rotation, in accordance with the following criteria:

1. Having qualifications in compliance with the Public Limited Companies Act, the Securities and Exchange Act, rules of the Securities and Exchange Commission and rules of the Stock Exchange of Thailand.
2. Having knowledge, ability and experience in a variety of fields which will be beneficial and add value to the Company.
3. Having characteristics supporting and promoting the corporate governance to create value to the Company, such as, independence, willingness to share opinions, initiative, performance of duties with responsibility, due care, integrity and full-time contribution, etc.
4. In case of a director who retires by rotation, the Nomination and Remuneration Committee shall consider from his past records whether he performed duties as director with due care, integrity and full-time contribution.

The Nomination and Remuneration Committee shall nominate such qualified persons to the Board of Directors for consideration for submission to the shareholders' meeting for appointment as directors.

(2.1.2) Nomination Procedures

The Board of Directors sets out the procedures for nomination of directors, whereby the Nomination and Remuneration Committee shall proceed in accordance with the following procedures:

1. Nominating qualified candidates to fill the vacancy.
2. Considering qualifications of the director who represents the Expressway Authority of Thailand in accordance with the conditions as specified in the Concession Agreement.
3. Considering qualifications of candidates nominated by minor shareholders according to the Company's policy to

- allow shareholders to propose their nominations in advance (if any).
4. Proposing the nominations to the Board of Directors for consideration and appointment (in case of interim vacancy).
 5. Considering proposing the nominations to the Board of Directors for consideration and approval for submission to the annual ordinary general meeting of shareholders for appointment.

Pursuant to the Articles of Association, at every annual general meeting, one-third of the number of directors shall vacate their office. If the number of directors is not a multiple of three, then the number nearest to one-third must retire from office. Therefore, the directors shall have a term of three years, whereby a retiring director may be re-elected. In this regard, the Company does not fix the number of terms of holding office as director or the number of other listed companies where the directors will hold office as director, but considers the suitability of appointment of directors who are due to retire by rotation to resume office.

Pursuant to the Articles of Association, the criteria and procedures for appointment of directorship by shareholders are as follows:

1. One shareholder shall have one vote for every one share held by that shareholder;
2. When electing directors, the casting of votes shall be made to elect directors on an individual basis. However, in the casting of votes on an individual basis, each such person elected by the shareholders shall receive votes from shareholders according to the total number of shares held by each shareholder under 1. and no shareholder can allot his or her votes to any person in any number.
3. When electing directors on an individual basis, persons receiving the most votes are those who are elected to be directors, in descending order, to the number of directors who are to be elected. If there is a tie for the last to be elected and this exceeds the said number of directors, the election shall be drawn by lots.

(2.2) Nomination of Managing Director and Executives

1. An executive in the position of Managing Director shall be nominated by the Nomination and Remuneration Committee which shall consider nominating qualified persons, namely, those who have knowledge and capacities and experience which are useful for management and operations to achieve objectives or targets as determined by the Board of Directors and have well understanding of the Company's business, whereby the Nomination and Remuneration Committee shall propose the nominations to the Board of Directors for consideration and appointment.

2. As for any executives at the level of General Manager or higher, the Managing Director would propose the nominations to the Executive Board for consideration and appointment.

9.4 Supervision of Operations of the Subsidiary and Associated Company

The Company has the governance mechanism in respect of management and operations of its Subsidiary and associated company, as follows:

- (1) The Board of Directors shall consider sending the Company's representatives to serve as directors in other companies according to its shareholding percentage. The directors who are the Company's representatives shall have power, duties and responsibilities in establishing the significant policies. In this regard, the Board of Directors shall consider and establish policies for the directors who are the Company's representatives to vote on various key items of the Subsidiary or associated company.
- (2) Structure of the Board of Directors of Northern Bangkok Expressway Company Limited as Subsidiary has been specified to comprise:
 - Seven directors who are members of the Executive Board of the Company;
 - One director who is representative from the Expressway Authority of Thailand;
 - One Managing Director of the Subsidiary.
- (3) Governance mechanism of the Subsidiary regarding connected transactions and acquisition or disposition of assets

As for transactions with related persons and acquisition or disposition of assets, the Company has managed the Subsidiary to amend its articles of association regarding execution of transactions in accordance with the rules on disclosure and connected transactions. The directors who are the Company's representatives shall supervise to ensure the Subsidiary's strict compliance with such rules. In this regard, the details of each such transaction shall be submitted to the Board of Directors for consideration in accordance with the rules.

- (4) The Company requires the Subsidiary to regularly review its internal control system to ensure adequacy and appropriateness on a yearly basis, whereby the Company's Internal Audit Office shall regularly review and follow up its compliance with the internal control system, which shall be specified in the annual audit plan.

9.5 Control of Inside Information Usage

The Company determines its written control of inside information usage in accordance with the good corporate governance principles, as follows:

- 1) Policy and monitoring of directors and executives

The Company shall keep directors, executives informed of the Office of the Securities and Exchange Commission's applicable notifications requiring directors and executives to have a duty to report on every change in their securities holding to the Office of the Securities and Exchange Commission pursuant to Section 59 within three days from the date of such change in securities holding. The Company Secretary shall be informed thereof to keep records of such change. In this regard, the directors and executives shall acknowledge and strictly comply with the policies and relevant laws regarding inside information usage.

- 2) Measures relating to care for inside information
 - (1) Not using inside information for personal interests or others.
 - (2) Determining and restricting persons who are authorized to access inside information, whereby the authorized persons shall not disclose such information to other persons until such information has been disclosed to the public in accordance with various regulations.
 - (3) Disclosing such information which has a material effect on the operations via the Stock Exchange of Thailand's channel prior to disclosure to any specific groups of investors.
 - (4) Insiders should refrain from trading securities or should wait until the public has been informed of such information with a reasonable period of time to study such information.
 - (5) Determining an quiet period for Investor Relations or submission of questions relating to operational results in the near future to analysts and investors for one week prior to disclosure of financial statements.
- 3) **Storage and prevention of inside information usage**
 - (1) The Company has policies and procedures for controlling the use of inside information by directors, executives and staff to prevent any occurrence of the use of inside information for personal interests or others. Moreover, the work rules and regulations of the Company prohibit staff from disclosing the Company's confidential information to any third parties or abusing their positions for personal gains or others. Any violation is deemed a disciplinary misconduct. In addition, this obligation has been specified as an important condition in new employment agreements, whereby staff shall keep confidential information relating to the Company's business to which they have access, whether directly or indirectly, and shall refrain from disclosing them to any third parties or other unauthorized persons. In this regard, the confidential information relating to the Company's business refers to financial information, marketing plan or business plan, wages, etc.
 - (2) The Company has a control system of use of the Company's information by adopting such information security systems as the restriction of access to the Company's information by setting authorization level of staff's access to the Company's information to correspond to their responsibilities and setting user password for common use of data files with other persons via the computer system, provided password must be changed every three months.
 - (3) The Company prohibits executives who have access to inside information from taking any actions contrary to Section 241 of the Securities and Exchange Act, including relevant rules and regulations.

9.6 Remuneration for Auditor

The Audit Committee and the Management shall jointly consider the qualifications of the auditor in respect of the reliability, independence, knowledge and experience in audit services, advice on accounting standards and certification of the financial statements in a timely manner, and shall then propose this matter to the Board of Directors for submission to the annual ordinary general meeting of shareholders to consider approving the appointment of auditor.

The proposed auditor shall have neither relationship with nor interest in the Company or its Subsidiary, executives, major shareholders or their related persons.

1. Remuneration for auditor**(1) Audit fee**

In the accounting period of 2013, the Company and its Subsidiary paid the audit fee of Baht 1,382,000 to Ernst & Young Office Limited, representing an increase by Baht 41,000 from the previous year or 3.06 percent. However, when compared to the average audit fees of other listed companies in the same sector, the Company's audit fee was reasonable.

(2) Non-audit fee

In the accounting period of 2013, the Company and its Subsidiary have no other service from Ernst & Young Office Limited or regarding business with the proposed auditor and Ernst & Young Office.

9.7 Compliance with Good Corporate Governance Principles

The Company has fully complied with the good corporate governance principles for listed companies 2012, except the following matters:

1. Determination of the number of terms of holding of office as director and independent director

The Company does not clearly determine any number of terms of holding of office as director. In regard to the determination of a term of consecutive holding of office as independent director of not exceeding nine years, the Board of Directors considers and deems that the appointment of independent directors to resume office as directors will be useful for the Company and shareholders since the directors consecutively holding such office will have knowledge and experience in the Company's business operations, thereby maximizing its value to shareholders.

2. Determination of the number of companies where each director will hold directorship

The Board of Directors has no policy to limit the number of companies in which each director may hold directorship since, after considering the matter; it is of the view that all directors devote their time to regularly attend meetings. However, in 2013, none of the Company's directors hold office as directors in more than five listed companies.

10. Corporate Social Responsibility

Business Philosophy of Bangkok Expressway Public Company Limited

Thailand's recent development resulted in Bangkok's economic and social growth. Such rapid growth gave rise to traffic problems which intensified and hindered the national development. The government sector envisioned the significance of the transportation system as a firm foundation for the national development, and as such, the private sector was then invited to participate in such basic infrastructure development projects.

Bangkok Expressway Public Company Limited is determined to play a part in alleviating the traffic problems. With our knowledge and expertise in the expressway construction and operation, the Company was then entrusted by the government sector to enter into contracts with the Expressway Authority of Thailand for the construction of the Si Rat Expressway and the Udon Rathaya Expressway.

Based on the Company's determination to participate in basic infrastructure system development in respect of transportation in support of Thailand's national development to ensure its economic and social growth, the Company is extremely proud of such opportunity from the government sector, and is well-prepared to implement the large-scale and high value expressway construction projects. The Company conducted an assessment of risks in such matters relevant to stakeholders which may affect the business operations in the initial stage, as follows:

1. **Construction Risk:** Investments in the construction of the expressway system projects, which are large-sized construction projects, require high investments and may be affected by several uncontrollable external factors, such as, problems relating to shortage of labor and construction materials, labor wages, contractor's capabilities, environment, engineering, including natural disasters. Such problems may delay the construction or affect the entire or partial system. In this connection, the variable economic conditions in the future are one of those problems which would result in cost overrun and may affect the Company's operations accordingly.
2. **Financing Risk:** Given that these projects require high investments, it is thus necessary to seek financing for the projects from financial institutions, in respect of which the Company has adopted such policy in its capacity as a good borrower by means of compliance with the agreements to build up its creditability, or else the Company would be at risk of having its loan agreements rejected by financial institutions. Another risk from financing is a risk from exchange rate fluctuation.
3. **Toll Revenue Risk:** The source of revenue is based on traffic volume and toll rates. Toll revisions are subject to the provisions of the agreements and government approval, and as such, should the toll rates not be revised at the rates and within the schedule specified in the agreements, the Company's operations, including its debt serviceability to financial institutions, may be affected.
4. **Government Policy Risk:** At such time, the government had a policy to invite the private sector to participate in implementation of public infrastructure system projects, therefore, any changes in policies, laws or regulations by the government may affect the Company's operations. Moreover, in the absence of any authority directly in charge of the national road transportation development policy in Thailand, it is likely that new projects initiated by other agencies may compete with the Company's projects.

5. Risk from Protest by Society and Community: The construction of large-scale projects adjacent to communities in the heart of the city usually gives rise to certain impact on society and nearby communities, such as, environmental impact from construction, land expropriation, etc. Without proper understanding and a clear corporate social responsibility policy, the projects may be affected by social protests, and if so, the achievement of the project may be at risk.

According to the foregoing business risk factors, together with its commitment to development of Thailand's transportation system to alleviate the traffic problems, the Company carefully sets out its operational policies to become the leading expressway service company to facilitate public transport, with management systems based on the good corporate governance principles and corporate social responsibility, to ensure the Expressway users' improved quality of life on the path to happiness and sustainability.

In light of the Company's commitment to development of the national transportation system to alleviate the traffic problems, and potential risks to its operations, the corporate social and environmental responsibility has always been of great importance to the Company and an abiding principle to which the Company adheres in its business operations. It is clearly evident from the Company's vision and missions towards creating the "Path to Happiness" by formulating the Expressway network in Bangkok and its vicinities. The Company is well-equipped to invest in projects pertaining to expressways, connecting roads and other infrastructure projects of the government on the public private participation (PPP) basis to upgrade the quality of life and develop Thai society towards sustainable growth. In addition, the Company is determined to provide quality and safe Expressway services, with due care and taking into account impact on stakeholders, economy, society and environment. The Company has adhered to the fair practice and business ethics in every step of its work procedures, as well as developing and promoting innovations in terms of efficiency, effectiveness and value added to the business and all parties concerned. The Company is socially responsible in its operations to build up a good impression to the service users and society as a whole.

It is a clear policy of the Company to be responsible for rights of all groups of stakeholders, i.e., shareholders, staff and executives of the Company and its Subsidiary, customers, business partners, lenders, counterparties, competitors, society as well as communities and schools located near the Expressways, including government sector and relevant authorities.

The Company organizes various activities, e.g., conferences, seminars, visits, public hearings, study and surveys on demands and satisfactions, to promote good relationships between the Company and stakeholders. Such regular activities are aimed at making their interests and concerns heard for further improvement of the Company's operations. This goes further from a plan for developing connections with stakeholders to a mechanism that promotes their participation, including submission of information to the Company's executives, in the consideration of the Company's corporate strategy in the following year.

Moreover, the stakeholders may directly contact or submit complaints to the Company's directors or the Company Secretary at telephone number 0 2641 4611 or by e-mail to companysecretary@becl.co.th. As the stakeholders' supports are well recognized to help develop the competitiveness and generate returns to the Company, which will secure a long-term success, the Board of Directors has incorporated in the corporate governance policy that the Company shall take care of stakeholders according to their rights under applicable laws and shall refrain from taking any acts in violation of their rights, in which case, any stakeholders sustaining damage from violation of rights shall be compensated; and that the Company's operations shall take into account human rights.

It is apparent that the Company's operations take care of all groups of stakeholders by way of monitoring, audit and assessment of potential impact, both positive and negative, for the purpose of planning for work improvement. Significant guidelines and standards adopted for the Company's practices and disclosure are the Stock Exchange of Thailand's guidelines for social responsible business, including international standards for social and environmental responsibility, e.g., ISO 14001, etc. In the future, the Company plans to improve its practices and disclosure to meet international principles, e.g., Global Reporting Initiative: GRI, in order for the Company's corporate social responsibility to be internationally recognized.

To achieve its goals, the Company has set out practical guidelines for corporate social responsibility to cover the entire Path to Happiness for the Company and its Subsidiary, as follows:

1. Covering the current and potential impact, both positive and negative, on major stakeholders;
2. Taking into account the process of the Company's business operations.

The Company determines the scope of its corporate social responsibility in three dimensions as follows:

1. The Source of Happiness focuses on staff treatment, development and care in terms of the quality of life, competency, morality and ethics, active participation in both internal and external process to deliver the best quality of service to service users under normal and emergency situations.
2. The Path to Happiness focuses on ensuring safety from construction to maintenance, including fair and reciprocal treatment of business partners as well as creating innovations in support of convenient and safe service with social and environmental responsibility throughout the whole process.
3. The Happy Society focuses on acting as a good and responsible citizen for the communities along the route so as to develop a good quality of life and contribute to society at large.

The scope of such responsibility is aimed at establishing the sustainable "**Path to Happiness**" to society.

BECL along the Path to Happiness

All through the path from the construction and operation of the Si Rat Expressway and the Udon Ratthaya, to the construction of the new Expressway, namely, the Si Rat – Outer Ring Road Expressway, the Company is committed to providing Expressway services with convenience, rapidity and safety, to the utmost satisfaction and impression of motorists, as the sustainable Path to Happiness. Practical guidelines for corporate social responsibility in three dimensions along the path are as follows:

1. **The Source of Happiness** is aimed at developing accountability, competency and skills of staff on the ethical principles, the quality of service for motorists' convenience and safety as well as sustainable growth. The Company focuses on staff development by way of continuing improvement, enhancement and development of competency of the Company's staff.

Staff Competency Development

The Company arranges for development of staff both in main and supporting lines of work, particularly staff in main line of work directly related to services on the Expressways, where quality and safety are compulsory, in order to achieve its goal of the excellent service to the utmost satisfaction and impression of motorists on the Expressways. The Company formulates specific training courses by specialists, both in theory and in practice, for staff in the main line, so that staff shall have skills and ability to use equipment and devices for specific tasks, i.e., rescue operation, traffic management, toll collection and maintenance of the system and carriageway. The staff development is considered as the Company's primary work plan, continuing from preceding years, to enhance knowledge and skills for the delivery of the Expressway services to facilitate the convenient and safe transportation. As a result, the Company's staff shall perform well in collaboration with EXAT's personnel both under normal and emergency situations. It is important to ensure staff's responsibility beyond their normal functions, and improve their skills in collaboration with other authorities to the best interests of service users.

Rescue Operation and Traffic Management

Rescue operation drills in case of serious accidents on the Expressways

The Company, in association with EXAT, carries out rescue operation drills in case of serious accidents on the Expressways, so as to be well prepared for rescue operation and assistance in case of serious accidents, e.g., leakage of hazardous or chemical substances on the Expressways, fire fighting and handling of injured motorists from accidents, both in theory and in practice. The drills are regularly carried out every year so as to be able to handle the situations forthwith and resume the normal Expressway services as soon as possible.

Safety Training

The Company organizes safety training every year, e.g., engine repair, so that staff will become familiar with engine systems and new technologies for small and large vehicles. Staff will learn about car care and repair, including different types of engines of motorists' vehicles on the Expressways, and then will be able to provide proper assistance, as opposed to causing damage to motorists' vehicles. In addition, staff also attend training relating to provision of safe and proper first aids to injured motorists.

Training on Use of Rescue Operation Vehicles on the Expressways

In case any objects accidentally fall off a truck and scatter on the Expressway, the rescue operation staff will use a crane lorry to lift those objects off the road surface to promptly open the Expressway for traffic. Although such accident may not occur very often, the Company conducts training on use of the rescue operation vehicles every three months so as to enable the rescue operation staff to efficiently and rapidly perform their functions, in order to avoid another accident.

Traffic Volunteer Training

The Company promotes participation and support in traffic management, whereby EXAT and Expressway Police Station 2 officers are responsible for traffic management on the Expressways in compliance with the provisions of the Road

Traffic Act. In order to ensure collaboration and in the interests of the Expressway users' safety, the Company also participates in traffic volunteer training organized by the Bangkok Metropolitan Administration and the Royal Thai Police. Training covers both theoretical and practical knowledge, e.g., traffic control signals, traffic hand signals, traffic signs, manners in provision of services to the Expressway users, etc.

On The Job Training

All rescue operation staff shall review work procedures every time before attending to their operation, and shall make preparations and check equipment on rescue operation vehicles, to ensure rapid, precise and proper service to the Expressway users. On the job training is conducted by the Company's executives, twice a year, and three groups each, during the middle and the end of each year.

New Staff Orientation

New rescue operation staff will attend three-month training prior to actual performance on the Expressways. The training will start from theory and during the initial stage of each actual performance, new rescue operation staff will be accompanied by mentors, who are rescue operation specialists.

Service Mind Training

The Company is well aware of the significance of communications in order to deliver the best services to the Expressway users. Therefore, a training program titled **"Change a Complaint to a Smile"**, which involves how to make a good impression on service, e.g., talking style, body language, manners and patience, to ensure motorists' satisfaction and impression.

Toll Revenue Operation

The Company's personnel in charge of toll revenue operation will be responsible to ensure that tolls are correctly, transparently and timely collected, in collaboration with the government sector, namely, EXAT, which has the duty to collect tolls from the Expressway users. The Company provides internal on the job training regarding role and responsibilities of toll collection controllers, particularly that tolls must be collected timely, the inspection of the counting of vehicles and collection records must be correct and exact. In addition, the condition of toll collection equipment must be checked to be ready for full-time service and to ensure the correctness of toll collection, which will help assure the Company's steady revenue streams and equally protect the interests of shareholders and stakeholders. Toll collection controllers will also attend overseas study visits on toll collection systems.

Good relationships with government sector (EXAT) are built and maintained by creating teamwork environment and participation in quarterly joint meetings between the Company's staff and EXAT's personnel. Such relationships are based on generosity which results in efficient performance to the Expressway users' satisfaction.

Structure Maintenance Operation

The maintenance of the Expressway structure is a prime responsibility to ensure that the Expressways will be ready and safe for service. Bangkok Expressway Public Company Limited is internationally recognized as the leading company specializing

in the inspection and maintenance of the Segmental Box Girder structures, and carries out regular inspection, monitoring and surveillance all year round. As for staff responsible for this task, the Company provides training for new staff and recruits new graduates in the applicable fields, e.g., civil engineering, vocational certificate or high vocational certificate in construction. This is to make sure that such personnel are knowledgeable and skilled according to their job description. Furthermore, all staff will attend training for skill improvement, e.g., on the job training, to familiarize themselves with know how relating to construction of an elevated expressway project, which is standard training for foreman and inspectors. After completion of the theoretical training, staff will be assigned to fieldwork operation, to be always accompanied by high level supervisor, as mentor. For existing staff, other than the on the job training, the Company also assigns them to attend training each year conducted by leading institutions to learn new technologies, for example:

- The Engineering Institute of Thailand Under H.M. The King's Patronage, e.g., Earthquake Standards: Design of Earthquake Resistant Structures;
- Thailand Concrete Association, knowledge about concrete as key element to construction work;
- Construction-related computer software, e.g., Auto CAD, Access;
- Overseas study visits for knowledge development, including technology and maintenance process benchmarking with other countries;
- Exchange of knowledge with overseas leading expressway companies which are recognized worldwide;
- Study visits for Intelligent Traffic System (ITS), new technologies and modern information systems.

In addition to staff competency development training in various matters with an aim to deliver the efficient services and to ensure the Expressway users' utmost satisfaction, the Company adheres to the fair treatment of staff in order to maintain competent staff with the Company. Staff with high competency and skills in their work performance will be eligible for career advancement based on clear promotion rules according to their respective career paths, which shall be reviewed yearly. Moreover, the Company also adopts individual development plan, particularly personnel at the level of supervisors or higher, and the Performance Management System (PMS) subject to key performance indicators (KPIs) in order to ensure concrete evaluation results. Such evaluation also takes into account staff competency and conduct, which will be instrumental in retaining qualified and competent staff as well as in developing staff core competency in five areas as follows:

1. Learning and self-development to ensure continuing development of a learning organization;
2. Focus on ethics to promote the compliance with the good corporate governance principles;
3. Focus on quality and safety in order to provide services to Expressway users to reach their destinations with convenience, rapidity and safety in accordance with the Company's policy;
4. Provision of services to internal/external customers by ensuring good quality of services to the satisfaction of internal customers in the work process, and ensuring good quality of services to the satisfaction of Expressway users and EXAT, as the contractual party to the Concession Agreement of the Company;

5. Result-based management in order to identify key success indicators and set out achievable work plans.

Work and Life Balance

The Company is well aware of the significant of appropriate remuneration based on industrial benchmarking. The Company promotes a participatory work environment and teamwork as well as organizes the workplace on the occupational safety and health basis. As for staff in main line who works shifts 24 hours, the Company provides bedroom for resting, shower rooms, personal lockers, including retro-reflective uniforms, raincoats, helmets to all staff, as well as safety equipment as appropriate to the nature of their work.

Staff are encouraged to demonstrate their participation and competency, as they are considered as valuable resources, and are assured of their innate skills, and as a result, they will feel proud and committed to providing quality services and continuously improving their performance. The Company has been organizing such activities to this end using a bottom-up approach as a key and universal instrument, which are conducted by working groups at department level and corporate level, as follows:

- 5S Activity started on March 10, 2000 on the clear, convenient, clean, sanitary and self-discipline basis for the development of both work and life.
- Suggestion System started on June 26, 2001 to stimulate staff at all levels, particularly operational staff, to share useful ideas for improvement of works under staff's responsibility.
- QCC Activity started on November 18, 2000 on the P-D-C-A basis in order to develop a preventive culture of usage of data, facts and statistics in support of work improvement.
- These fundamental activities resulted in the Company's continued work improvement to successfully maintain consecutive certifications of ISO 9001: Quality Management System, and ISO 14001: Environment Management System, since the initial certifications on August 22, 2001 and November 11, 2001, respectively.

As a result of the Company's staff treatment as described above, staff have developed a strong bond of loyalty between them and the organization, put their creative energy into work, efficiently pushed the organization forward, and readily delivered the best services to service users.

2. **On the Path to Happiness**, the Expressway users are just like an Expressway family and the heart of the Company's operations. The Company is ready to deliver and improve the Expressway services to ensure the efficiency of rapid and safe transportation, uplift the quality of life and environment, and play a role in developing Thai society. The Company appreciates such innovations which will help minimize impact of the Company's operations on society, environment and stakeholders. Therefore, the Company operates at full capacity from construction to repair and maintenance of the Expressways to stand ready for service to users to ensure their convenience and safety both under normal and emergency situations. This is to fulfill the Company's committed responsibility for its services to customers or the Expressway users.

- 2.1 **Construction of Expressways:** The Company adopted the Segmental Box Girder technology which is internationally recognized and meets the AASHTO (American Association of State Highway Transportation Officials) standards, and which was considered a sophisticated technology at such time. As a result, the Company was able to minimize impact on at-grade traffic and dust and noise pollution during the construction. The construction was completed according to planned without any protests from society and nearby communities. The Expressways are safe, meet standards and effectively respond to the transportation needs.
- 2.2 **Maintenance of Expressways:** The Company carries out regular inspection and maintenance of the main structures of the Expressways, under the independent consulting engineer's supervision and quality assessment of the Expressways. The Expressways are in a stable condition, meet standards and safety requirements, and the Expressway users are able to enjoy convenient, rapid and safe transportation to their destinations.
- 2.3 **Expressway Services:** The Expressways, by physical characteristics, mostly are elevated and linked as a network with a total length of 256.1 kilometers, comprising seven routes in public service, namely, Chalerm Mahanakorn (First Stage) Expressway; Si Rat (Second Stage) Expressway; Udon Ratthaya Expressway (Bang Pa-in – Pak Kret); Uttara Phimuk Expressway (Don Muang Tollway); Chalongrat Expressway; Burapha Withi Expressway; and Kanchanaphisek Expressway; the Expressways have become the effective strategic routes for sending aids to disaster victims, transporting equipment and supplies, and travelling by both public and private sectors, during the occurrence of any event or disaster which may impede the at-grade roads. Those events in the past have perfectly confirmed the strategic route status. Therefore, the Company, in its capacity as the operator of the Si Rat Expressway and the Udon Ratthaya Expressway, sets out practical guidelines for dealing with unusual occurrences, so as to make the Expressways available for service under emergency situations and return to normal as soon as possible.

Under normal situations, both during rush and non-rush hours, the Company is ready to deliver the Expressway services to users to reach their destinations comfortably and safely via our Expressways, as follows:

1. The Company's communications staff in the Control Center monitor traffic condition on the Expressways and provide travelling information to users. The CCTV surveillance systems are installed on the Expressways, along with radio-communications systems through the Control Center working 24 hours in close collaboration with other relevant authorities. The Company's rescue operation teams are patrolling the Expressways at all times, and therefore, they are ready to instantly assist service users in any incident on the Expressways. In addition, the teams also coordinate with police officers on duty on the Expressways and at-grade roads in order to facilitate traffic management 24 hours. The traffic condition on the Expressways are viewable by at-grade police officers from the video signals connected with the Company's CCTVs.

2. The automatic toll collection system or Easy Pass is implemented by the Company's collaboration with the government sector beyond the terms of the Concession Agreement, with the intention to improve services and minimize environmental impact from traffic congestion. This system has helped save travelling time and fuels for service users, protect the environment, minimize pollution at the toll plazas, reduce fuel consumption, and improve the quality of life.
3. With respect to safety innovations, the Company sets up a dedicated unit responsible for research and development (R&D) to regularly improve safety of the Expressways by means of road safety audits. The audit results are used for the Expressway improvements for greater safety, e.g., safety equipment at risk areas based on statistical records of accidents. According to such statistics, gore areas are relatively accident-prone. Physical risks are taken into consideration to classify risk levels, as follows:
 1. Low-risk areas are intersections and off-ramps in parallel to main line, e.g., Phaholyothin off-ramp, Bang Sue off-ramp, Ratchadaphisek off-ramp, because when a car accident takes place, cars will not fall off to at-grade road.
 2. Medium-risk areas are V-shape roads.
 3. High-risk areas are Y-shape roads, where cars are likely to fall off to at-grade road should an accident take place.

According to the study for accident prevention and reduction with a view to preventing cars from falling off to at-grade roads, the properties of protective materials must be unbreakable when hit, otherwise, it may give rise to consequential impact on the vehicles that follow. Furthermore, such equipment must first be tested with actual impact to see whether or not it is capable of minimizing the impact, so as to prevent cars from sliding and falling off to the ground or from sliding and crashing the car that follows. The Company has thus made improvements in such risk areas by level. In a low-risk area, speed limit and reduce speed signs are installed before reaching the risk area. In a medium-risk area, speed limit and reduce speed signs are installed before reaching the risk area, provided that these signs are equipped with flashing light to alert motorists ahead of time. Flashing light is installed on top of the median of the diverge nose, which will be visible to motorists, with flexible guide posts installed to help lessen impact and minimize car damage, and a cushion tank made of polyethylene (PE).

In high-risk areas, crash cushions are installed at three locations, namely, Khlong Prapa 1 off-ramp, Phyathai Interchange, and Bangkhlo Interchange. The Company installed crash cushion at every gore area to soften impact from accident, installed cold plastic materials in red color to alert motorists of high-risk area ahead in order to reduce speed, and painted road strips to prevent accidents on the Expressways.

The Company conducted further study on impact of several factors on traffic and prepared traffic simulation to study the feasibility of improved physical characteristics in front of toll plazas, on- and off-ramps, in order to alleviate environmental impact, preserve national energy and save travelling time.

Under emergency situations or disaster occurrences

In case there is an event or external factor which results in an emergency, namely, peril, serious accident, earthquake and such events which may be caused by terrorism or sabotage as bombing and riot, including gathering of activities for inciting public unrest, the Company requires all units to have emergency plans in response to any events which may suddenly occur and arrange for staff training to ensure that the staff in charge would be able to immediately take actions to resolve such emergency, as well as establishing a unit for monitoring, warning and coordinating with relevant agencies to prevent the occurrence of any serious accident. The Company has controlled and monitored for strict compliance with the relevant laws; for example, transportation of chemical substances and passenger trucks without roof are prohibited from accessing the Expressways, and transport trucks need to have complete truck coverings. Moreover, the Company further established the measure for inspection of the routes and their surrounding areas, including cooperation with police officers responsible for the areas around the routes.

The Company takes out insurance against Property Damage of the structures of the Si Rat Expressway and the Udon Ratthaya Expressway, Business Interruption, including Public Liability, on a yearly basis, in order to prevent the impact from possible damage.

Due to the flood crisis in 2011, several toll plazas of the Udon Ratthaya Expressway of the Subsidiary were affected by such disaster. The Company has plans to prevent possible damage in advance in order to ensure that the Expressways would be ready for normal service to the public as soon as possible; for example, removal of various significant and essential M&E equipment in the management of the Expressways for storage at the safe place from floodwater, construction of strong cement walls to prevent water force from destroying, as well as leaking which might cause damage to immovable significant equipment, stocking of spare parts to prevent subsequent shortage, including taking out insurance against Property Damage arising from such flood situation, etc. As a result of its management of risks by using an emergency plan to prevent such damage and handle the flood crisis through preparedness at its best effort, together with insurance against such damage, the damage which occurred to the Subsidiary could be minimized.

Political unrest

There was no political unrest in 2013 like the political rally in 2010, which caused an unrest in various locations of Bangkok and adjacent provinces and affected the at-grade traffic, and as a result, motorists avoided such roads where the rally took place or refrained from leaving home during the unrest period. In order to minimize such impact, the Company arranges for an emergency backup plan in response to possible occurrences. The emergency backup plan involves staff rehearsals for all relevant units to resolve problems, as well as establishing a unit to follow up alerts and coordinate with relevant public agencies to monitor and immediately take actions to resolve such event.

During special long holidays such as Songkran Festival, New Year's day, the Company, in association with EXAT, organizes safe travelling programs during long holidays. Service units are set up on the Expressways to provide a free initial car checkup, including drinking water and refreshing towels as refreshments for long travelling which will help reducing accident rates.

Since the Company's business is a unique service which requires high investments for its operations, creditability can be built on the Company's fair treatment of its traders and financial sponsors, which is considered a key success factor to the Company's delivery of the quality services to motorists, even during a crisis. The Company therefore sets out its practices for traders as follows:

Fair Business Operations

The Company has a commitment to procurement of standard goods and service, for the purpose of development and maintenance of sustainable relationship with traders, with the clear objectives in terms of quality of goods and service worth its value, technical standard and creditability. The Company therefore provides the fair and equal procurement procedures to all traders in compliance with the work procedures regarding procurement in accordance with the requirements of ISO 9001 Quality Management System, based on the practices as follows:

(1) Procedures and measures against unfair competition

1. Determining the criteria for selection of trade counterparts through a strict screening process to ensure fair business operations without violation of human rights.
2. Ensuring competition on the basis of equal information access, without preventing any trader from participating in business competition.
3. Preparing contracts in appropriate and standard forms.
4. Arranging for management and monitoring system to ensure the full compliance with contracts and internal control system to prevent fraud and misconduct in all steps of the procurement procedures.
5. Making payments to traders on time in accordance with terms of payment as mutually agreed.
6. Not allowing director and/or staff to accept any benefits from traders.
7. Evaluating traders on a yearly basis and informing results of evaluation with suggestions for traders to continuously improve the quality of goods and services, and also allowing traders to contact the Management to make any complaints if they are unfairly treated.
8. Refraining from seeking any trader's secret dishonestly or improperly, such as, bribing director and staff of its competitors.
9. Refraining from making a serious accusation against traders without reasonable grounds.

(2) The Company sets out guidelines for recognition of and respect for intellectual property of traders as well as protection of such rights, as follows:

1. Staff are prohibited from using any information, documents, computer applications, software, books, articles, video tapes, audio records, and works of any other persons in a manner that infringes their intellectual property, regardless of whether such rights are reserved by the owners or rightful beneficiaries of such works.
2. All staff shall have the duty to maintain the Company's intellectual property works and shall not use or allow any third parties to use the Company's intellectual property without permission.

3. Any discovery or invention for improvement by staff during their employment with the Company, which is related to or effective on or connected with the Company's business in any way, shall be treated as the Company's property and must be promptly disclosed to the Company.
- (3) The Company deals with the supply chain in strict compliance with international standards, ISO 9001 Quality Management System, and ISO 14001 Environment Management System, by way of providing education and close monitoring and audits to ensure that the supply chain of traders in business association with the Company is concerned for environmental impact, in the interests of the sustainability of their mutual business alliance.
- (4) Financial sponsors, namely, lenders, shareholders, creditors: The Company strictly complies with contracts and its obligations, maintains the financial discipline, and should there be any event which may affect its compliance with contracts and obligations, the Company shall call for a meeting for conclusion in a manner which will not affect the contracts and mutual obligations.
3. **The Happy Society** refers to the communities adjacent to the Expressways, which are the Company's neighbors, and as such, the Company shall ensure that its business operations will not affect the quality of life and environment. In doing so, the Company regularly surveys the communities nearby the rights of way according to plan, and inspects the condition of the Expressways and surrounding areas of the rights of way, which may affect the nearby communities and residents, to see if there is any impact or difficulty caused to them. In case of improvement of the Expressway or any construction which may affect the nearby communities, the Company will coordinate with its contractors to exercise due care to the best of their ability. In this respect, the Company also sets out standard work procedures, including requirement of equipment to prevent any impact or pollution. In addition, the Company conducts a press relations to provide project details and contact information for submission of any complaints. Any complaints submitted to the Company will be forwarded to the responsible unit under the high level executives' supervision for fact-finding and urgently carrying out any initial remedial actions. Then, causes of such complaints and related facts shall be identified for the purpose of considering corrective and preventive measures and rectifying various consequences in order to prevent any possible difficulty to the nearby communities.

In order for guidelines for environmental concerns to be clear, measurable and acceptable, the Company applies ISO 14001: Environment Management System under the following environment policy:

- 1) Giving priority to pollution prevention and control through the operation and maintenance of the Expressways in compliance with international standards, taking into account environmental impact on service users, staff and communities;
- 2) Raising staff awareness and promote the efficient use of energy and natural resources;
- 3) Complying with the environment-related laws and other regulations;

- 4) Reviewing objectives and goals for continued improvement of the environment management system;
- 5) Communicating the environment policy to the public and all parties concerned.

In addition, the Company appoints an energy conservation workgroup to promote awareness of energy conservation and efficient use of energy. The Company acknowledges its duty, as part of the global community, to preserve natural resources and build up staff awareness of natural resource preservation. In 2008, the Company appointed the energy conservation workgroup with the objectives and scope of duties and responsibilities as follows:

1. Objectives

To ensure that the Company's environment management is efficient and demonstrates its corporate social responsibility (CSR).

2. Duties and responsibilities

1. Conducting study and procedures for energy saving without compromising the efficiency of the Company's business operations and the staff's quality of life;
2. Identifying and assessing environmental issues from use of energy and preparing the environment work plan under the work procedures of ISO 14001:2004 Environment Management System;
3. Conducting activities and training for staff awareness of energy conservation;
4. Preparing and regularly reviewing the energy conservation manual to be in line with the environment policy;
5. Monitoring the results of such activities according to planned;
6. Incorporating the accomplished guidelines as part of the routine operations and promote the sustainable energy conservation.

The energy conservation workgroup also appointed sub-workgroups, namely, public relations team, electric energy team, fossil energy team, alternative energy team, and monitoring team.

With the firm commitment to energy conservation, the Company received local and regional awards as follows:

1. Thailand Energy Awards 2007 for the Company's management and staff's participation in setting out policies, components of the workgroup, goals, training/study visits, staff learning, campaigns and monitoring process;
2. ASEAN Energy Awards 2007, in which the Company was selected as Thailand's representative in the ASEAN contest for ASEAN Best Practices for Energy Management in Building and Industry Competition, in Singapore, whereby the Company was granted an outstanding award.

Business operations affecting the corporate social responsibility

In 2013, the Company and its Subsidiary operated business in compliance with the laws and applicable rules and regulations without committing any offense or violation to the laws which may affect the Company's corporate social responsibility.

Corporate Social and Environmental Contribution Activities

The Company realizes the significance of the coexistence with society, particularly participation in development of communities adjacent to the Expressways. As such, the Company initiated the projects for development of the quality of life of the communities in respect of education and recreations through the social activities as follows:

1. **BECL Grants Scholarships to Adjacent Schools**, an activity which was yearly organized, by granting scholarships to underprivileged students with the good academic records, including funds for school development for educational purposes to schools adjacent to the Si Rat Expressway and the Udon Rathaya Expressway.
2. The Company organized activities which supported the outdoor learning experience for youths residing nearby the Expressways for direct experience learning; encouraged children to learn new things thoroughly and clearly to ensure their understanding and ability to efficiently apply the knowledge in the future, such as, **Learning Sufficiency Economy with Expressway**, by bringing students adjacent to the Expressways to visit the rice farming demonstration in order to appreciate the value of Thai rice and to raise their awareness in relation to sufficiency economy.

Children's Day with Expressway: Children of the Expressways' neighboring villagers, including nearby schools, were invited to enjoy learning and entertaining activities, thereby facilitating a fun outdoor learning experience for children.

Moreover, the Company continued to contribute to society in all aspects by organizing social activities under the "BECL Elevates the Quality of Life and the Environment" concept, a part of sharing happiness to society, as follows:

Good Family Relationships**"Expressway Invites Moms & Kids to Strengthen Relationships with Love in Prachin Buri"**

On the occasion of the National Mother's Day, as a special family day, the Company played a part in strengthening family relationships via "Expressway Invites Moms & Kids to Strengthen Relationships with Love in Prachin Buri", by bringing a total of 46 Expressway users from 15 families to visit Prachin Buri Province, the most glorious city in the ancient Dhavaravati era; pay homage to the Aphai Than Buddha image; appreciate four styles of astonishing architecture and arts at Wat Kaew Phichit; learn how to use Thai herbs at Abhaibhubejhr Thai Herbal Medicine Museum; taste delicious cuisine in Prachin Buri Province, guaranteed by Mae Choice Nang Ram chef; and appreciate the beauty of flowers of various species at Dasada Gallery. The Company also organized the "Me & Mom Made" activity for hugging and expressing love to moms, together with lovely jasmine garlands, as gifts to their moms in a loving and warm atmosphere for all families.

“Expressway Invites Dads & Kids to Strengthen Relationships, with Bicycle Riding in the Park and Good Deeds for Nature, in Khung Bang Kachao, Samut Prakan”

The Company continues to promote the activities that strengthen family relationships, including environmental preservation. On the occasion of the National Father’s Day, the Company organized the Dads & Kids to Strengthen Relationships, with “Bicycle Riding in the Park and Good Deeds for Nature” activity, by bringing a total of 41 executives and the Expressway users from 14 families to jointly plant 20 trees to enlarge green zone and raise the awareness of environmental preservation, at Sri Nakhon Khuean Khan Park, Khung Bang Kachao, Samut Prakan Province. This Park is a protected area reserved as central park under the royal initiative of His Majesty the King, and serves as the source of clean and fresh air for Bangkok, also known as one of Asia’s best urban oasis. Moreover, executives and the Expressway users then rode bicycles, breathed some fresh air, learnt about various kinds of plants from local guides, and tasted delicious cuisine at Pha Chumchon Mueang Suan Pha Ket Nom Khiao, and went shopping agricultural produces at Talat Bang Nam Phueng as the last stop. Furthermore, their children created and painted cards using natural materials, together with lovely jasmine garlands, as gifts to their dads, bringing about love and warmth in the families.

Awareness of Environmental Preservation**“Expressway Promotes Environmental Preservation” No. 6**

The environmental preservation is of great importance to everyone. The Company organized a campaign for staff awareness of environmental preservation under the activity titled “Expressway Promotes Environmental Preservation No. 6”. A group of executives and staff participated in releasing 8,500 sea basses into the sea at Sirinart Rajini Ecosystem Learning Center, Amphoe Pran Buri, Prachuap Khiri Khan Province, and releasing 1,000 blue crab breeders at The Sirindhorn International Environmental Park, Amphoe Cha Am, Phetchaburi Province. Moreover, we jointly planted 85 land seedlings and 400 mangrove seedlings to restore land and mangrove forests.

“Plantation of Vetiver Grass under the Royal Initiative of His Majesty the King”

According to the royal initiative of His Majesty the King “living barriers for natural conservation” to prevent soil degradation and erosion by vetiver grass plantation, the Company followed such royal initiative by bringing a group of executives and staff to jointly plant 20,000 vetiver grass on the inbound shoulders of the Udon Ratthaya Expressway, Chiang Rak Section.

“Shareholder Relations’ Good Deeds for Nature”

The great flood in 2011 caused a great loss of green zones. The Company wished to restore those lost green zones, and then organized the “Shareholders Relations’ Good Deeds for Nature Nos. 1 and 2” activity, by bringing a total of 30 shareholders, together with a group of executives and staff, to jointly plant 300 “Silva Manso” trees at Phutthamonthon Park, Nakhon Pathom Province, including the group of staff planted such trees in 2012, bringing up the grand total 877 Silva Manso tree, to restore the sustainable green shelter back to the nature. This was also a good opportunity for the shareholders and executives to meet and exchange their opinions, which would help strengthen good relationships.

Moral and Ethical Awareness for Corporate Social Responsibility**“Hearing the Dharma with Expressway”**

The Company believes that the promotion of staff’s moral and ethical awareness will pave the sustainable way to corporate social responsibility. The Company then continuously organized three activities titled “Hearing the Dharma with Expressway”, in which a group of executives and staff participated in hearing the Dharma in order to properly apply such teaching to their current lifestyle and work environment, at Wat Suan Kaew, Nonthaburi Province, Wat Phra Ram 9 Kanjanaphisek, and Bangkok Expressway Public Company Limited. Moreover, the executives and staff donated computer equipment, cameras and office desks to Wat Suan Kaew for usage.

“Robe Offering at Dhammasathan Sang Chan Sang Dhamma in Uthai Thani”

Religion is a spiritual anchor for all those determined to make good deeds and adhere to morality and ethics. The Company wished to promote the religion to carry on its role in Thai society, and thus organized a robe offering ceremony at Dhammasathan “Sang Chan Sang Dhamma in Uthai Thani” to encourage staff to make good deeds, perform their works by adhering to morality and ethics, in the interests of a sustainable corporate social responsibility.

“Granting Scholarships to Buddhist Novices”

Other than the educational support for youths, the Company also promotes Buddhist novices’ education to ensure Buddhism’s lasting presence in Thai society. The “Granting Scholarships to Buddhist Novices” activity was thus organized to have its executives and staff jointly donate brand new and second-hand items and equipment to the Buddhist Novice Support Foundation under the Patronage of the Buddhist Supreme Patriarch, Wat Phra Ram 9 Kanjanaphisek, to liquidate those donated items in support of construction of School of Wisdom (Novice and Child Training Center) and Dhammasathan in Phetchaburi Province.

“Blood Donation”

The Company took part in the great giving under the “Give Blood Give Life” program, by organizing two blood donation activities, in association with Vajira Phayabal Hospital, on 7 May and 9 August 2013 at Bangkok Expressway Public Company Limited, with staff’s active participation.

Good Relationships with Related Authorities

The cooperation for provision of good services to meet the most satisfaction of the Expressway users is regarded as key goal of the three collaborating authorities, namely, staff of EXAT, police officers of the Expressway Police Station 2, and BECL’s staff. To strengthen relationships among them in order to ensure unity and maximum efficiency of the services, the Company then organized activities, as follows:

“Watch Movie with Expressway”

The Company invited the families of staff of EXAT and the families of police officers of the Expressway Police Station 2 as well as the families of the Company’s staff to watch the movie “Oz The Great And Powerful 3D” at Major Cineplex, Ratchayothin. All family members had a good time and enjoyed the games and the 3D movie.

“BECL Grants Cars and Motorcycles to the Expressway Authority of Thailand and the Expressway Police Station 2”

The Company is committed to taking care of and promoting the performance of the relevant authorities to ensure smooth operations, and to monitor and provide the rapid and efficient services for the Expressway users. The Company then granted cars and motorcycles to the Expressway Authority of Thailand and the Expressway Police Station 2 for use on the Si Rat Expressway to facilitate the convenient travelling and maximum safety of the Expressway users.

Promotion of Youth Learning

Education represents a key foundation for youths’ sustainable development of knowledge, thoughts and values in order to become decent and quality citizens of society. The Company then continues to encourage and support youth education through various activities as follows:

“BECL Grants Scholarships to Staff’s Children”

The Company granted scholarships to staff’s children with good academic records at the levels of elementary and high school, and higher education, continuously as the seventh year.

“BECL Grants Scholarships to Children of EXAT Club’s Members”

The Company, in association with EXAT Club, granted scholarships to children of EXAT’s staff, who are members of the club and working on the Si Rat Expressway and the Udon Ratthaya Expressway. The executives from both authorities jointly granted such scholarships.

“BECL Grants Scholarships to Children of the Expressway Police Station 2’s Police Officers”

The Company granted scholarships to children of police officers of the Expressway Police Station 2, which were accepted by Police Colonel Khajornkiat Sariphan, the Superintendent of Sub-division 2, Traffic Police Division.

“BECL Restores Ban Hin Laem School and Grants Books to Students”

In addition to the promotion and development of education in the nearby communities, the Company also envisions the significance of improvement of quality and access to education of remote communities. The Company donated money to restore Ban Hin Laem School, Amphoe Thong Pha Phum, Kanchanaburi Province, and books to the library of Ban Hin Laem School, to encourage students’ reading and enlarge their learning exposures.

Support for Outdoor Learning Experience

The Company realizes that learning is not restricted only in classroom, and outdoor experience is an opportunity for children to personally and directly learn from experience. Such experience would help them understand various things clearly and comprehensively, and apply the knowledge in the future. The Company thus organized outdoor learning experience activities as follows:

“Expressway Invites Children to Sing”

The Company organized volunteer activities by its music club and staff through music jam, as well as recreational activities and lunch meals to children at Rajawadee Home on 22 June 2013 and the Foundation for the Better Life of Children on 16 November 2013. Children had a good time and enjoyed the activities, whereby this opened an opportunity for staff to express love, care and share happiness with those children in a lovely and warm atmosphere.

“Audio Library for Young Blinds”

The Company acknowledges that reading will bring about sustainable knowledge. The Company then supported and took part in the Audio Library for Young Blinds project, as organized by Nation Broadcasting Corporation Public Company Limited and the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen, in order to assist and share knowledge to youths with visual disability, by means of audio book recording, which will be organized as audio library for children.

Support for Other Social Activities**“Granting Parts and Equipment from Expressway to Prostheses Foundation”**

Prostheses Foundation of H.R.H. the Princess Mother was established to produce prostheses for underprivileged persons who have no legs, free of charge, regardless of nationality or religion. As such, the Company did take part therein by granting functional and used aluminum expressway parts and equipment to Prostheses Foundation of H.R.H. the Princess Mother, by Police Major General Dr. Chalermpong Komarakul Na Nakhon, member of the Foundation Committee, for use in production of prostheses.

“Rice for the King”

The Company has truly appreciated the royal grace of His Majesty the King for the philosophy and transfer of rice knowledge to farmers for applied use with success. In honor of His Majesty the King on the auspicious occasion of his 86th birthday anniversary in 2013, the Company participated in supporting the “Rice for the King” project, and sponsoring 2,000 bags of specially selected 100% Organic Jasmine Rice (1 kg.), part of the proceeds would be provided to His Majesty the King for the royal contribution to The Chaipattana Foundation and Thai Rice Foundation under the Royal Patronage.

Anti-Corruption Policy

The Company sets out measures, based on both discipline and laws, against corruption. According to discipline, the fact-finding shall be conducted by a committee comprising representatives from the human resources department, from the department of the offender and from other units. The Managing Director is authorized to consider imposing disciplinary actions in case of written warning and termination of employment. Should the misconduct constitute an embezzlement, a legal action shall be undertaken to protect the Company’s interests. Guidelines under this policy are as follows:

1. No business dealings shall be entered into with any organization or unit which is involved in a corruption.

2. Disciplinary and legal actions shall be imposed and instituted against such staff who are involved in a corruption.

Additional Anti-Corruption Practices

The Company intends to operate its business with transparency without involvement with any corruption, in accordance with the good corporate governance principles. All directors, executives and staff shall perform their duties with integrity, due care, prudence and in the best interests of the Company and fairness to stakeholders, as well as free from corruption, both internal and external.

1. The Company and its Subsidiary set out policy and measures for anti-corruption and prevention of payment or acceptance of bribery, including any actions contrary to morality and customary practices, which shall be written in the corporate governance policy, the Company's code of business ethics, and the work rules and regulations, for compliance by all directors, executives and staff.
2. The Company is aware of business risks from both internal and external factors which may affect its operations. The Company therefore sets out a systematic risk management, monitoring and measures to continuously minimize risks. The Corporate Governance and Risk Management Committee was thus appointed to consider the policy level while the Management shall have the duty to supervise the overall risk management process and perform the day-to-day operation on behalf of the Corporate Governance and Risk Management Committee. Such duties include monitoring, evaluation and preparation of risk management report at the department level for submission to the Board of Directors for information. Moreover, the risk management manual and plan are prepared as operational guidelines, including risk monitoring, evaluation and review in line with the internal and external circumstances. All work units shall also prepare emergency plans for any emergency situation so as to be ready to resolve problems forthwith.
3. In order to comply with the written anti-corruption policy, the Company also builds up recognition of anti-corruption practices in the organization by way of training, both physical and psychological approach, to develop positive attitude. The Company believes that decency originates from inside out, e.g., Hearing the Dharma with Expressway, which has been continuously organized by the Company throughout 2013.
4. The Company surveys the compliance with the code of business ethics yearly for the executives to review their conduct in accordance with the code of business ethics.
5. The Company sets out such misconduct relating to fraud and corruption as serious disciplinary misconduct, and any violation shall be subject to severe disciplinary actions up to termination of employment without prior warning. The details of such misconduct are described as follows:
 - (1) Disclosure of the Company's confidential information to any third parties;
 - (2) Breach of duty and/or fraudulent acts towards the Company, including a conspiracy with others to do so;
 - (3) Abuse of position for personal interests or others;
 - (4) Acceptance of undue consideration in relation to assigned tasks;
 - (5) Expression of impolite manners or use of aggressive, threatening, insulting words or causing bodily injury to supervisors, including visitors.

11. Internal Control and Risk Management

11.1 Internal Control

The Board of Directors has always realized the significance of its internal control system by authorizing the Audit Committee comprising independent directors to audit the evaluation of the internal control system. The Internal Audit Office, which directly reports to the Audit Committee, performs the duty to audit the work operation system in various departments of the Company as per the annual audit plan approved by the Audit Committee to ensure each department's efficient and effective performance of work and optimized use of its resources. This also includes the control of the work performance, the timely, accurate and reliable financial reports, as well as the compliance with the policy in accordance with the laws and regulations of the government agencies and relevant authorities. Furthermore, the effectiveness of the control system is regularly reviewed to ensure the optimum benefit to the shareholders from the business operation based on the fairness in terms of benefits to all stakeholders. In addition, the Audit Committee shall have the duties to consider, select and submit for appointment of the auditor, including remuneration of the auditor, consider disclosure of the Company's connected transactions or any transactions which may give rise to any conflicts of interest to be accurate and complete.

In 2013, the Audit Committee convened four meetings, whereby the Management of the Company attended all such meetings, and the Audit Committee convened a meeting with the auditor without the Management attending the meeting in the consideration of the 2013 financial statements for an independent inquiry of the audit plan and various issues found during the audit.

11.2 Risk Management

The Board of Directors has realized the significance of using the risk management system in the administration by assigning the Corporate Governance and Risk Management Committee to supervise and review the Company's overall risks, risk management strategy and risk alert system, in order to deal with such risks to stay at an acceptable level in line with the Company's policy on risk management. The Company's Management takes into account various risk factors currently sustained or threatened to be sustained in the future by the Company to analyze impact and possibility of such risks and to determine measures to prevent and deal with such risks to stay at an acceptable level in line with the Company's policy, and to report to the Corporate Governance and Risk Management Committee to consider the adequacy and appropriateness. The effectiveness of the risk management system is reviewed and evaluated every year, and for every time when the risk level has changed, whereby the results are regularly monitored on a quarterly basis by the Internal Audit Office and reported to the Management and the Corporate Governance and Risk Management Committee for acknowledgement and further report to the Board of Directors. The significant risk factors and management are described in Risk Factors on pages 3-1 to 3-9.

- 11.3 In the Board of Directors' Meeting No. 1/2014 which was held on 26 February 2014, the Board of Directors has evaluated the adequacy of the internal control system based on the assessment report of the Audit Committee in various aspects, comprising five components, i.e., control environment, risk assessment, control measures, information and communication system, follow-up system, along with the report on the results of risk management of the Corporate Governance and Risk Management Committee. It was concluded that the Company's internal control system was considered adequate

and appropriate to the business operation without material fault in the internal control system; and it could prevent improper or unauthorized use by executives or employees of the property of the Company and the Subsidiary. The financial report of the Company was accurate and reliable in accordance with the generally accepted accounting standards and the financial reporting standards. The Company's business operation was in accordance with the law on securities and exchange and other applicable laws.

The Board of Directors, the Audit Committee and the auditor were of the opinion that the Company's business operation was transparent and in accordance with the good corporate governance principles, its internal control system was suitable, effective and capable of preventing improper or unauthorized use by executives or employees of the property of the Company.

The Head of the Internal Audit Unit is Miss Vasana Wattananukulchai, General Manager of Internal Audit Office. The Audit Committee is of the view that Miss Vasana Wattananukulchai is qualified to efficiently perform duties as the Head of the Internal Audit Unit. The appointment, removal and transfer of a person holding an office as Head of the Internal Audit Unit shall be subject to the Audit Committee's approval (details of her profile appear in Attachment 3),

The Head of the Compliance Unit is Mrs. Ngamnit Kanokgarnjanar, Assistant Managing Director: Compliance Unit, who shall be responsible for compliance matters in cooperation with Managing Director Office, and with close coordination with the Company Secretary (details of her profile appear in Attachment 3).

Report of the Audit Committee

The Audit Committee of Bangkok Expressway Public Company Limited, as appointed by the Company's Board of Directors, comprises three independent directors, namely, Professor Suphachai Phisitvanich, as the Audit Committee Chairman, who has expertise in accounting and finance, General Sampao Choosri and Dr. Annop Tanlamai, as Audit Committee Members, with the General Manager of Internal Audit Office as secretary to the Audit Committee.

In 2013, the Audit Committee held four meetings, in which all of its members attended each and every meeting, for discussion and sharing of opinions with the Management, internal auditors and the auditor, and a meeting with the auditor without the Management's presence, for independent discussion on significant information in the preparation of the financial statements and sharing of suggestions.

The key performance of duties of the Audit Committee in the year 2013 may be summarized as follows:

1. **Review of Financial Report:** The Audit Committee has reviewed the 2013 annual and quarterly financial statements of Bangkok Expressway Public Company Limited, including changes in the accounting policy, the adjustments which materially affected the financial statements, and correct and complete disclosure of information, to ensure that the financial statements were prepared in accordance with the legal requirements, the generally accepted accounting standards and the financial reporting standards, with correct and sufficient disclosure of information in a timely manner for the benefit of investors or financial statements users.
2. **Review of Internal Control System:** The Audit Committee has reviewed the assessment result of the internal control system to ensure the effective performance in all of the Company's work units and compliance with various laws and requirements, with the Internal Audit Office to independently examine and evaluate the sufficiency and appropriateness of the internal control, as well as reporting directly to the Audit Committee, taking into consideration the operations, resource utilization, property management, risk prevention and minimization, and reliability of financial report.
3. **Supervision of Internal Audit:** The Audit Committee has reviewed the mission, scope of work, budget and independence of the Internal Audit Office, to ensure appropriate and effective audit system, as well as personnel development plan to keep them up to date towards changes in business, with ongoing self-improvement in the direction of the organization's business operations and the international standards, including the consideration and approval of the 2014 internal audit plan.
4. **Compliance with the Law on Securities and Exchange, Requirements of the Stock Exchange and Laws Relating to the Company's Business:** The Audit Committee has reviewed the Company's operations in compliance with the law on securities and exchange, rules and regulations of the Office of the Securities and Exchange Commission, requirements of the Stock Exchange of Thailand, and other laws relating to the Company's business operations, including requirements and obligations which may arise from agreements executed with third party, and is of the view that the Company has duly and properly complied with the relevant laws and requirements in a timely manner, and acknowledged the change in various rules affecting its business operations.

5. **Consideration of Connected Transactions:** The Audit Committee has reviewed and provided opinions on connected transactions or transactions which might give rise to conflict of interest to be in compliance with the applicable laws and requirements of the Stock Exchange and the Office of the Securities and Exchange Commission to ensure transparency, justifications, and maximum benefits to the Company's business operations.
6. **Consideration for Appointment of the Auditor and Auditing Fee for 2014:** The Audit Committee has assessed the audit in the previous year and considered the reasonableness of the auditing fee, and is of the view that the auditor from Ernst & Young Office Limited is independent, and has knowledge and experience in the audit, provision of advice on the accounting standards, certification of the financial statements in a timely manner, and that the auditing fee is reasonable. Therefore, it is resolved to propose the matter to the Board of Directors to consider and seek approval of the meeting of shareholders for appointment of the auditor from Ernst & Young Office Limited as the auditor for 2014, with the remuneration in the amount of not exceeding Baht 1,080,000.

Based on its independent performance of duties under the scope of responsibilities assigned by the Company's Board of Directors in providing opinions and suggestions for the fair benefit of all interested parties, the Audit Committee is of the view that the Company's financial report is correct and reliable in compliance with the generally accepted accounting standards and the financial reporting standards and that the Company's business operations comply with the good governance principles, with effective and proper internal control system as well as due and complete compliance with applicable laws and requirements relating to the Company's business.



(Professor Suphachai Phisitvanich)
Audit Committee Chairman

12. Related Transactions

12.1 Principles

Transactions with persons who may have conflict of interest are subject to the conditions and criteria in the ordinary course of business. The execution of connected transactions and transactions with conflict of interest are in accordance with the regulations of the Stock Exchange of Thailand.

In the consideration and approval of any related transaction, the Company shall propose such matter to the Board of Directors' Meeting, in which the directors having any involvement which may give rise to a conflict of interest shall not be entitled to attend and vote on such matter. Furthermore, the Audit Committee, as assigned by the Board of Directors, shall consider the disclosure of the Company's information in respect of the connected transaction or the transaction which may have conflict of interest, to ensure accuracy and completeness.

In respect of connected transactions with general commercial terms which the Company and its Subsidiary have or may have in the future, the Company already requested approval in principle from the Board of Directors' Meeting No. 4/2008 on 26 November 2008, with the approval of the Audit Committee's Meeting No. 6/2008 on 12 November 2008 which already considered justification and nature of the transactions prior to submission thereof to the Board of Directors for consideration.

12.2 Related Transactions of the Company and the Subsidiary with Persons who May Have Conflict of Interest for 2013 and 2012

1. Legal Entity which : CH. Karnchang Public Company Limited May Have Conflict of Interest

- Relationship** :
- The company is the major shareholder of the Company representing 15.15 percent of the paid-up capital as at 12 September 2013.
 - Mr. Plew Trivisvavet, serves as Chairman of the Executive Board of the Company, Chairman of the Executive Board of its Subsidiary, and serves as Chairman of the Executive Board and Chief Executive Officer of CH. Karnchang Public Company Limited.
 - Mrs. Payao Marittanaporn, Managing Director of the Company and Acting Managing Director of its Subsidiary, is the spouse of Mr. Prasert Marittanaporn, Director and Senior Executive Vice President of CH. Karnchang Public Company Limited.

Transactions with the Company

1.1 Advance Payment and Fee for Management of the Si Rat - Outer Ring Road Expressway Project

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Advance Payment	2,031,750,000	2,250,000,000
Project Management Fee	2,497,500,000	-

Transaction	Details
Transaction Description	- On 14 September 2012, the Company engaged CH. Karnchang Public Company Limited as Project Manager of the Si Rat - Outer Ring Road Expressway Project, in the total value of Baht 22,500 Million, with a construction period of not exceeding 48 months, commencing on 15 December 2012.
Opinions of the Audit Committee on Necessity/Justification of Transaction	- CH. Karnchang Public Company Limited has expertise, experience and know-how in the Segment Box Girder construction methodology in accordance with the terms of reference of the Si Rat - Outer Ring Road Expressway Project, together with experience in administering the lump sum turnkey contracts for the Company with good quality of work and low maintenance costs as well as construction completion according to schedule and within the fixed budget; and its strategic investment partnership with the Company which would assure its responsibility and commitment for the successful operation of the Project.

1.2 Inspection and Repair of the Structure of the Si Rat Expressway, No. 3, Phase 1

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	51,315,184	35,472,226
Transaction Description	- On 17 September 2012, the Company executed a contract engaging CH. Karnchang Public Company Limited to carry out the inspection and repair of the structure of the Si Rat Expressway, No. 3, Phase 1, in the total value of Baht 86,787,410, with a contract term of 10 months from the date of the contract signing.	
Opinions of the Audit Committee on Necessity/Justification of Transaction	- The price of the work is reasonable and lower than the price assessed by the independent consulting company. In addition, the contractor has expertise and experience in construction of the Si Rat Expressway, and as such, it should be capable to carry out the work properly and is well-prepared to promptly start the work.	

1.3 Inspection and Repair of the Structure of the Si Rat Expressway, No. 3, Phase 2

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	15,544,581	-
Transaction Description	- On 1 September 2013, the Company executed a contract engaging CH. Karnchang Public Company Limited to carry out the inspection and repair of the structure of the Si Rat Expressway, No. 3, Phase 2, in the total value of Baht 67,238,525, with a contract term of 12 months from the date of the contract signing.	
Opinions of the Audit Committee on Necessity/Justification of Transaction	- The price of the work is reasonable and lower than the price assessed by the independent consulting company. In addition, the contractor has expertise and experience in construction of the Si Rat Expressway, and as such, it should be capable to carry out the work properly and is well-prepared to promptly start the work.	

Transactions with the Subsidiary

(1.4) Inspection and Repair of the Structure of the Udon Ratthaya Expressway

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	-	14,185,388
Transaction Description	<ul style="list-style-type: none"> On 6 January 2012, the Subsidiary executed a contract engaging CH. Karnchang Public Company Limited to carry out the inspection and repair of the structure of the Udon Ratthaya Expressway, in the total value of Baht 14,185,388, with a contract term of 6 months from the date of the contract signing. 	
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> The price of the work is reasonable and lower than the price assessed by the independent consulting company. In addition, the contractor has expertise and experience in construction of the Si Rat Expressway, and as such, it should be capable to carry out the work properly and is well-prepared to promptly start the work. 	

1.5 Improvement of the Damaged Structure of the Udon Ratthaya Expressway due to the Flood Crisis

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	3,900,282	-
Transaction Description	<ul style="list-style-type: none"> On 31 October 2012, the Subsidiary executed a contract engaging CH. Karnchang Public Company Limited to carry out the improvement of the damaged structure of the Udon Ratthaya Expressway due to the flood crisis, in the total value of Baht 3,900,282, which shall be completed and delivered within 30 June 2013. 	
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> The price of the work is reasonable and lower than the price assessed by the independent consulting company. In addition, the contractor has expertise and experience in construction of the Si Rat Expressway, and as such, it should be capable to carry out the work properly and is well-prepared to promptly start the work. 	

(1.6) Office Space Rental

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	120,000	120,000
Transaction Description	<ul style="list-style-type: none"> The Subsidiary executed an office space lease contract, at the rental rate of Baht 10,000 per month, with a contract term on a yearly basis. 	
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> The rental rate is reasonable and comparative to market rate, and is considered a connected transaction with general commercial terms in accordance with the principles approved by the Board of Directors. 	

**2. Legal Entity which : SouthEast Asia Energy Limited
May Have Conflict
of Interest**

- Relationship :**
- The Company holds shares in SouthEast Asia Energy Limited representing 16.67 percent of its registered capital. During 2012, the Company sold all of its shares in SouthEast Asia Energy Limited, as well as its commitment to provide financial support to SouthEast Asia Energy Limited and Nam Ngum 2 Power Company Limited, to CK Power Limited.
 - The Company and SouthEast Asia Energy Limited have CH. Karnchang Public Company Limited as their common major shareholder, whereby CH. Karnchang Public Company Limited holds shares in the Company representing 15.15 percent of the paid-up capital as at 2 January 2014, and during 2011, CH. Karnchang Public Company Limited sold all of its shares in SouthEast Asia Energy Limited.
 - Dr. Virabongsa Ramangkura serves as Chairman of the Board of Directors of the Company and Chairman of the Board of Directors of SouthEast Asia Energy Limited.
 - Mr. Plew Trivisvavet serves as Chairman of the Executive Board of the Company and Chairman of the Executive Board of SouthEast Asia Energy Limited.
 - Mrs. Payao Marittanaporn, Managing Director of the Company, is the spouse of Mr. Prasert Marittanaporn, Director of SouthEast Asia Energy Limited.

Transactions with the Company

(2.1) Loan and Interest Receivable

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	-	42,738,596
Transaction Description	<p>- On 4 September 2007, the Company signed the Shareholders' Loan Agreement which is considered a subordinated loan under the shareholding proportion in the amount of not exceeding Baht 31.25 Million at the interest rate of the average MLR + 1% of three lending banks of SouthEast Asia Energy Limited, with the due date of repayment of the principal, together with interest, within 18 months or the date of Financial Closing of the Project whichever occurs first. However, the Company made an additional agreement for extension of time for debt repayment. In this regard, SouthEast Asia Energy Limited already made the repayment in full, together with interest, in March 2013.</p>	

Transaction	Details
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> - This is considered a financial support under the shareholding proportion and the interest rate equals the loan interest rate of the existing creditors of SouthEast Asia Energy Limited. - The objective of the loan is to be used for survey and development of new project which would enhance the capacity of the Nam Ngum 2 Project of SouthEast Asia Energy Limited which would be beneficial to the Company as a shareholder.

(2.2) Provision of the Financial Support in the Form of Cash Deficiency Support (CDS), which has already been transferred to CK Power Public Company Limited.

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	-	-
Transaction Description	<ul style="list-style-type: none"> - On 26 May 2006, the Company entered into an Equity Contribution Agreement with SouthEast Asia Energy Limited and Nam Ngum 2 Power Company Limited (co-borrower), other shareholders and lenders of SouthEast Asia Energy Limited. Under the agreement, the Company agrees to provide equity contribution for Revenue Deficiency from Construction of the Nam Ngum 3 Hydropower plant of not more than Baht 94 Million if the Nam Ngum 3 Project is likely to negatively impact the energy production level of that company's system and subsequently results in that company's becoming unable to comply with its obligations under the Financing Documents. In addition, the Company agrees to provide additional equity contributions of not exceeding Baht 63 Million if the co-borrower of that company defaults in payment of its loan or unable to comply with its obligation under the Financing Documents. Currently, such obligations have been transferred to CK Power Public Company Limited along with sale of all shares held by the Company in SouthEast Asia Energy Limited. 	
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> - The amount of the financial support is based on reasonable calculation and is under the shareholding proportion. 	

3. Legal Entity which : CK Power Public Company Limited May Have Conflict of Interest

Relationship : - The Company holds shares in CK Power Public Company Limited representing 23.22 percent of its registered capital.

- The Company and CK Power Public Company Limited have CH. Karnchang Public Company Limited as their common major shareholder, whereby CH. Karnchang Public Company Limited holds shares in the Company representing 15.15 percent of the paid-up capital as at 12 September 2013 and CH. Karnchang Public Company Limited holds shares representing 32.18 percent of CK Power Public Company Limited's registered capital.

(3.1) Gain on Sales of Shares in SouthEast Asia Energy Limited

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	-	1,156,181,250
Transaction Description	<ul style="list-style-type: none"> - On 10 May 2012, the Company sold all of its 110.1 million shares in SouthEast Asia Energy Limited to CK Power Public Company Limited, at the price of Baht 25 per share, with gain on sales of shares in the Consolidated Statement of Income in the amount of Baht 1,156 Million (net of the unrealized gain in respect of the Company's shareholding in CK Power Public Company Limited in the amount of Baht 496 Million). 	
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> - This connected transaction is considered an ordinary course of business, with the general commercial terms as already approved in principle by the Audit Committee and the Board of Directors. 	

(3.2) Management Income

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	-	287,000
Transaction Description	<ul style="list-style-type: none"> - On 15 October 2012, the Company signed an accounting and financial management agreement, in the amount of Baht 287,000, for a period from 15 October 2012 to 31 December 2012. 	
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> - This connected transaction is considered an ordinary course of business, with the general commercial terms 	

4. Legal Entity which : CH. Karnchang-Tokyu Construction Co., Ltd. May Have Conflict of Interest

- Relationship :**
- The Company and CH. Karnchang-Tokyu Construction Co., Ltd. have CH. Karnchang Public Company Limited as their common major shareholder, whereby CH. Karnchang Public Company Limited holds shares in the Company representing 15.15 percent of the paid-up capital as at 12 September 2013 and CH. Karnchang Public Company Limited holds shares representing 55.00 percent of CH. Karnchang-Tokyu Construction Co., Ltd.'s registered capital.

Transaction with the Company

4.1 Construction of Connecting Road between Sector D of the Si Rat Expressway and Chaturathit Road (Section C)

Transaction	Details	
	Consolidated Financial Statements as at 31 December 2013	Consolidated Financial Statements as at 31 December 2012
Transaction Value (Baht)	167,309,800	-
Transaction Description	<ul style="list-style-type: none"> On 1 February 2013, the Company executed a contract engaging CH. Karnchang-Tokyu Construction Co., Ltd. to construct a connecting road between Sector D of the Si Rat Expressway and Chaturathit Road (Section C), in the total value of Baht 254,000,000, with a contract term of 16 months from the date of the contract signing. 	
Opinions of the Audit Committee on Necessity/Justification of Transaction	<ul style="list-style-type: none"> This connected transaction is considered an ordinary course of business, with the general commercial terms as already approved in principle by the Audit Committee and the Board of Directors. 	