

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 30 December 2014, the Company's 80,830,047 ordinary shares were used as underlying securities for issuance of Non-Voting Depositary Receipt or NVDR, representing 10.50 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 11 September 2014, 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 | 78,665,882 | 10.22 |
| 3. THE BANK OF NEW YORK (NOMINEES) LIMITED | 60,149,912 | 7.81 |
| 4. Bangkok Bank Public Company Limited | 53,795,390 | 6.99 |
| 5. Bangkok Life Assurance Public Company Limited | 38,541,800 | 5.01 |
| 6. Krung Thai Bank Public Company Limited | 38,500,550 | 5.00 |
| 7. Mr. Min Tieworn | 22,500,000 | 2.92 |
| 8. STATE STREET BANK EUROPE LIMITED | 22,411,734 | 2.91 |
| 9. HSBC (SINGAPORE) NOMINEES PTE LTD | 14,407,400 | 1.87 |
| 10. United Overseas Bank (Thai) Public Company Limited | 11,391,470 | 1.48 |
| 11. THE BANK OF NEW YORK MELLON | 10,182,000 | 1.32 |
| 12. STATE STREET BANK AND TRUST COMPANY | 9,987,033 | 1.30 |
| 13. NORTRUST NOMINEES LTD. | 9,471,600 | 1.23 |
| 14. Social Security Office (2 cases) | 9,449,700 | 1.23 |
| 15. CHASE NOMINEES LIMITED | 9,228,100 | 1.20 |
| 16. AIA Company Limited- AIA D-PLUS | 9,135,000 | 1.19 |
| 17. AIA Company Limited-APEX | 7,405,700 | 0.96 |
| 18. CHASE NOMINEES LIMITED 1 | 6,095,300 | 0.79 |

| Shareholders | Shareholding | |
|--|------------------|-----------------------------|
| | Number of Shares | % of total number of shares |
| 19. EAST FOURTEEN LIMITED-DIMENSIONAL EMER MKTS VALUE FD | 5,613,100 | 0.73 |
| 20. Mr. Chuwit Chitsakul | 5,282,000 | 0.69 |
| 21. CHASE NOMINEES LIMITED 50 | 5,092,600 | 0.66 |
| 22. TOKYU CONSTRUCTION COMPANY LIMITED | 4,551,150 | 0.59 |
| 23. NORBAX INC.,82 | 4,469,400 | 0.58 |
| 24. Wattanasophonpanich Co., Ltd. | 3,998,800 | 0.52 |
| Total | 568,246,311 | 73.81 |
| Others | 201,753,689 | 26.19 |
| 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.

Shareholdings of the Company's Directors and Executives

As at 11 September 2014, which is the latest date the share register book was closed, one director held shares in the Company, as follows:

| Name | Shareholding | |
|-----------------------------|------------------|-----------------------------|
| | Number of Shares | % of total number of shares |
| 1. Mr. Panit Dunnvatanachit | 27,000 | 0.0035 |

Remark: Other directors and executives did not hold any shares in the Company as at the beginning and the end of the year, without any trading during the year.

7.2.2 **The Company's Free Float Percentage** : According to the report on shareholding distribution of strategic shareholders as at the closing date of the share register book for suspension of share transfer on 13 March 2014, as submitted to the Stock Exchange of Thailand by the Company, the percentage of the non-strategic shareholders was 68.63 percent of all issued and paid-up shares.

7.3 Issuance of Other Securities

7.3.1 Long-Term Loans

In 2014, the Company executed the Amendment Agreement to the existing Credit Facility Agreement for an additional credit facility of Baht 1,000 Million, at the interest rate equal to MLR-2.525 percent and 6M FDR+2.66875 percent per annum. As at 31 December 2014, the Company's long-term loans amounted to Baht 1,084 Million. The loan repayment is scheduled to be made in full in July 2019. The long-term loans for the Si Rat - Outer Ring Road Expressway Project amounted to Baht 1,800 Million, at the interest rate of MLR-2.525 percent and 6M FDR+2 percent per annum.

7.3.2 Debentures

In 2014, the Company issued additional debentures in February 2014, comprising Baht 3,000 Million debentures, with a maturity of 3 years at the fixed interest rate of 3.59 percent per annum; and Baht 1,000 Million debentures, with a maturity of 5 years at the fixed interest rate of 4.35 percent per annum. The proceeds from the issuance of such debentures were used for repayment of the existing debentures due in 2014 and payment of the construction costs under the Project Management Agreement for the Si Rat - Outer Ring Road Expressway Project. As at 31 December 2014, the Company's outstanding debentures amounted to Baht 19,400 Million, as per the following details:

| Details of Debentures | Debentures No. 3/2009 | Debentures No. 3/2010 | Debentures No. 1/2011 Series 2 | Debentures No. 2/2011 |
|------------------------------|---|---|---|---|
| Debenture Symbol | BECL155A | BECL173A | BECL214A | BECL18DA |
| Total Value of Debentures | Baht 2,000 Million | Baht 1,500 Million | Baht 1,000 Million | Baht 900 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 | 1,500,000 units | 1,000,000 units | 900,000 units |
| Par Value per Unit | Baht 1,000 | Baht 1,000 | Baht 1,000 | Baht 1,000 |
| Interest Rate per annum | MLR - 3.00% | 6m FDR + 1.65% | 4.72% | 4.60% |
| Maturity | 5 years 5 months 2 days | 7 years | 10 years | 7 years |
| Issue Date of Debentures | 28 December 2009 | 31 March 2010 | 29 April 2011 | 29 December 2011 |
| Maturity Date | 30 May 2015 | 31 March 2017 | 29 April 2021 | 29 December 2018 |
| Registrar | SCB | SCB | TMB | TMB |
| Early Redemption Right | -None- | | | |
| Repayment of Principal | The issuer of debentures shall repay the principal in full on the maturity date. | | | |
| Rating | - | - | A | - |

Debentures (continued)

| Details of Debentures | Debentures No. 1/2012 | Debentures No. 2/2012 | Debentures No. 1/2013 Series 1 | Debentures No. 1/2013 Series 2 |
|---------------------------|--|--|--|--|
| Debenture Symbol | BECL153A | BECL160A | BECL163A | BECL183A |
| Total Value of Debentures | Baht 1,000 Million | Baht 2,000 Million | Baht 2,000 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 | 2,000,000 units | 2,000,000 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 | 4.12% | 4.08% | 3.60% | 4.03% |
| Maturity | 3 years | 4 years | 3 years | 5 years |
| Issue Date of Debentures | 28 March 2012 | 10 October 2012 | 6 March 2013 | 6 March 2013 |
| Maturity Date | 28 March 2015 | 10 October 2016 | 6 March 2016 | 6 March 2018 |
| Registrar | SCB | TMB | TMB | TMB |
| Early Redemption Right | -None- | | | |
| Repayment of Principal | The issuer of debentures shall repay the principal in full on the maturity date. | | | |
| Rating | A | A | A | A |

Debentures (continued)

| Details of Debentures | Debentures No. 1/2013 Series 3 | Debentures No. 2/2013 | Debentures No. 3/2013 | Debentures No. 1/2014 Series 1 |
|------------------------------|--|---|--|---|
| Debenture Symbol | BECL203A | BECL163B | BECL18NA | BECL172NA |
| Total Value of Debentures | Baht 1,000 Million | Baht 1,000 Million | Baht 1,000 Million | Baht 3,000 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 | 1,000,000 units | 1,000,000 units | 3,000,000 units |
| Par Value per Unit | Baht 1,000 | Baht 1,000 | Baht 1,000 | Baht 1,000 |
| Interest Rate per annum | 4.36% | 3.60% | 4.70% | 3.59% |
| Maturity | 7 years | 3 years | 5 years | 3 years |
| Issue Date of Debentures | 6 March 2013 | 12 March 2013 | 7 November 2013 | 27 February 2014 |
| Maturity Date | 6 March 2020 | 12 March 2016 | 7 November 2018 | 27 February 2017 |
| Registrar | TMB | TMB | TMB | TMB |
| Early Redemption Right | -None- | | | |
| Repayment of Principal | The issuer of debentures shall repay the principal in full on the maturity date. | | | |
| Rating | A | A | A | A |

| Details of Debentures | Debentures No. 1/2014 Series 2 |
|---------------------------|--|
| Debenture Symbol | BECL192NA |
| Total Value of Debentures | Baht 1,000 Million |
| Type of Debentures | Unsubordinated and unsecured debentures bearing names of the holders without a debenture holder representative |
| Number of Debentures | 1,000,000 units |
| Par Value per Unit | Baht 1,000 |
| Interest Rate per annum | 4.35% |
| Maturity | 5 years |
| Issue Date of Debentures | 27 February 2014 |
| Maturity Date | 27 February 2019 |
| Registrar | TMB |
| Early Redemption Right | -None- |
| Repayment of Principal | The issuer of debentures shall repay 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. However, pursuant to the conditions of the Credit Facility Agreement, at present, the Company will be able to pay dividend to shareholders in the event that its debt service coverage ratio or DSCR on the date of dividend payment is not less than 1.20 and must not be less than 1.0 after the dividend payment.

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.

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 | |
|--------------------------|----------------------------------|---------------------------|-------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| | | | Separate Financial Statements | Consolidated Financial Statements | Separate Financial Statements | Consolidated Financial Statements |
| 2010 | | | | | | |
| - First half | 424 | 0.55 | 881 | 823 | 48 | 51 |
| - Second half | 577 | 0.75 | 1,020 | 980 | 57 | 59 |
| Total in 2010 | 1,001 | 1.30 | 1,901 | 1,803 | 53 | 56 |
| 2011 | | | | | | |
| - First half | 462 | 0.60 | 812 | 794 | 57 | 58 |
| - Second half | 539 | 0.70 | 568 | 614 | 95 | 88 |
| Total in 2011 | 1,001 | 1.30 | 1,380 | 1,408 | 73 | 71 |
| 2012 | | | | | | |
| - First half | 477 | 0.62 | 1,993 | 1,466 | 24 | 33 |
| - Second half | 678 | 0.88 | 724 | 794 | 94 | 85 |
| Total in 2012 | 1,155 | 1.50 | 2,717 ⁽¹⁾ | 2,260 ⁽²⁾ | 43 | 51 |
| 2013 (Restated) | | | | | | |
| - First half | 539 | 0.70 | 1,061 | 3,810 | 51 | 14 |
| - Second half | 693 | 0.90 | 1,088 | 1,337 | 64 | 52 |
| Total in 2013 | 1,232 | 1.60 | 2,149 | 5,147 ⁽³⁾ | 57 | 24 |
| 2014 | | | | | | |
| - First half | 616 | 0.80 | 1,358 | 1,363 | 45 | 45 |
| - Second half | 1,309 ⁽⁴⁾ | 1.70 ⁽⁴⁾ | 1,807 | 1,843 | 72 | 71 |
| Total in 2014 | 1,925 | 2.50 | 3,165 | 3,206 | 61 | 60 |

- Remarks:**
- (1) This is divided into normal operating profit amounting to Baht 1,445 Million and gain on sales of investment in SEAN, net of tax, amounting to Baht 1,272 Million.
 - (2) This is divided into normal operating profit amounting to Baht 1,484 Million and gain on sales of investment in SEAN, net of tax, amounting to Baht 776 Million.
 - (3) This is divided into normal operating profit amounting to Baht 2,339 Million and gain on fair value adjustment of investment from changing status of investments in TTW in the amount of Baht 2,808 Million, which represents an accounting profit and non-cash item.
 - (4) This is included in the Agenda for the 2015 Annual Ordinary General Meeting of Shareholders on 2 April 2015.

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 2014, 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 | 20 | 6/6 |
| 2. Prof. Suphachai Phisitvanich | Director Audit Committee Chairman Corporate Governance and Risk Management Committee Chairman | Independent Director | 20 | 5/6 |
| 3. Gen. Sampao Choosri | Director Audit Committee Member Nomination and Remuneration Committee Chairman Corporate Governance and Risk Management Committee Member | Independent Director | 10 | 6/6 |
| 4. Dr. Annop Tanlamai | Director Audit Committee Member Nomination and Remuneration Committee Member Corporate Governance and Risk Management Committee Member | Independent Director | 3 | 6/6 |

| 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 | 20 | 6/6 |
| 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 | 20 | 5/6 |
| 7. M.L. Prasobchai Kasemsant | Director Executive Director | Executive Director | 20 | 6/6 |
| 8. Mr. Panit Dunnvatanachit | Director | Non-Executive Director | 11 | 6/6 |
| 9. Miss Arisara Dharamadhaj | Director | Non-Executive Director | 8 | 6/6 |
| 10. Mrs. Vallapa Assakul | Director Executive Director | Executive Director | 4 | 6/6 |
| 11. Mr. Sudthisak Watthanavinid ⁽¹⁾ | Director | Non-Executive Director | 1 | 3/5 |
| 12. Mrs. Payao Marittanaporn | Director Executive Director Managing Director | Executive Director | 7 | 6/6 |

Remark: The directors' profiles appear in Attachment 1, pages A1-1 to A1-12.

⁽¹⁾ Mr. Sudthisak Watthanavinid was appointed in the Board of Directors' Meeting No. 1/2014 on 26 February 2014 to replace Mr. Chavalit Wathanakul who resigned on 1 October 2013.

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 2014 comprises 26 persons (information of executives appears in Attachment 1, pages A1-12 to A1-23) as listed below:

- | | |
|-------------------------------------|---|
| 1. Mrs. Payao Marittanaporn | Managing Director |
| 2. Mr. Sanguan Kunatinun | Deputy Managing Director: Engineering ⁽¹⁾ |
| 3. Mrs. Sudruthai Prommart | Deputy Managing Director: Operation ⁽¹⁾ |
| 4. Mrs. Ngamnit Kanokgarnjanar | Deputy Managing Director: Administration ⁽¹⁾ |
| 5. Mr. Phakpoom Thaweewittayarut | Deputy Managing Director: Administration ⁽¹⁾ |
| 6. Miss Panan Tosuwanthaworn | Deputy Managing Director: Finance ⁽¹⁾ |
| 7. Mr. Chatree Techatassanasoontorn | Assistant Managing Director: Business Development Unit |
| 8. Miss Walainut Trivisvavet | Assistant Managing Director: Finance Unit ⁽²⁾ |
| 9. Mrs. Wattana Sittiwatayaporn | Assistant Managing Director: Construction Project Unit ⁽¹⁾ |
| 10. Mrs. Supattra Bumnetphan | Assistant Managing Director: Toll Revenue Unit and Acting General Manager of Toll Collection Division ⁽¹⁾ |
| 11. Mr. Phaisan Lertsalaluck | Assistant Managing Director: Traffic Unit ⁽¹⁾ |
| 12. Mr. Omsyn Pibulwarangkur | Assistant Managing Director: Administration Unit ⁽¹⁾ |
| 13. Mr. Rungsak Luengrattanamas | Assistant Managing Director: Maintenance Unit ⁽¹⁾ and Acting General Manager of Engineering Division |
| 14. Mrs. Manatsavee Subchavaroj | Assistant Managing Director: Compliance Unit ⁽¹⁾ |
| 15. Mrs. Suttida Sukhanindr | Assistant Managing Director: Finance Unit ⁽¹⁾ |
| 16. Mr. Kittu Aphonrat | Assistant Managing Director: Business Development Unit ⁽¹⁾ and Acting General Manager of Business Development Division |

| | |
|-----------------------------------|---|
| 17. Miss Vasana Wattananukulchai | General Manager of Internal Audit Office |
| 18. Mr. Chalermkiat Sakonwisansak | General Manager of Maintenance Division |
| 19. Miss Phenporn Kittiyopars | General Manager of Information Technology Office |
| 20. Mrs. Suporn Nakruchata-amorn | General Manager of Toll Revenue Division ⁽¹⁾ |
| 21. Mr. Kittu Phuabanditkul | General Manager of General Administration Division ⁽³⁾ |
| 22. Mrs. Pauranee Kanittanon | General Manager of Managing Director Office ⁽³⁾ |
| 23. Miss Piyanut Saringkhan | General Manager of Finance Division ⁽³⁾ |
| 24. Miss Saranya Lertjiraprasert | General Manager of Accounting Division ⁽³⁾ |
| 25. Mr. Prapan Aimjhai | General Manager of Traffic Division ⁽³⁾ |
| 26. Mr. Apichat Khamkongkhun | General Manager of Construction Division ⁽³⁾ |

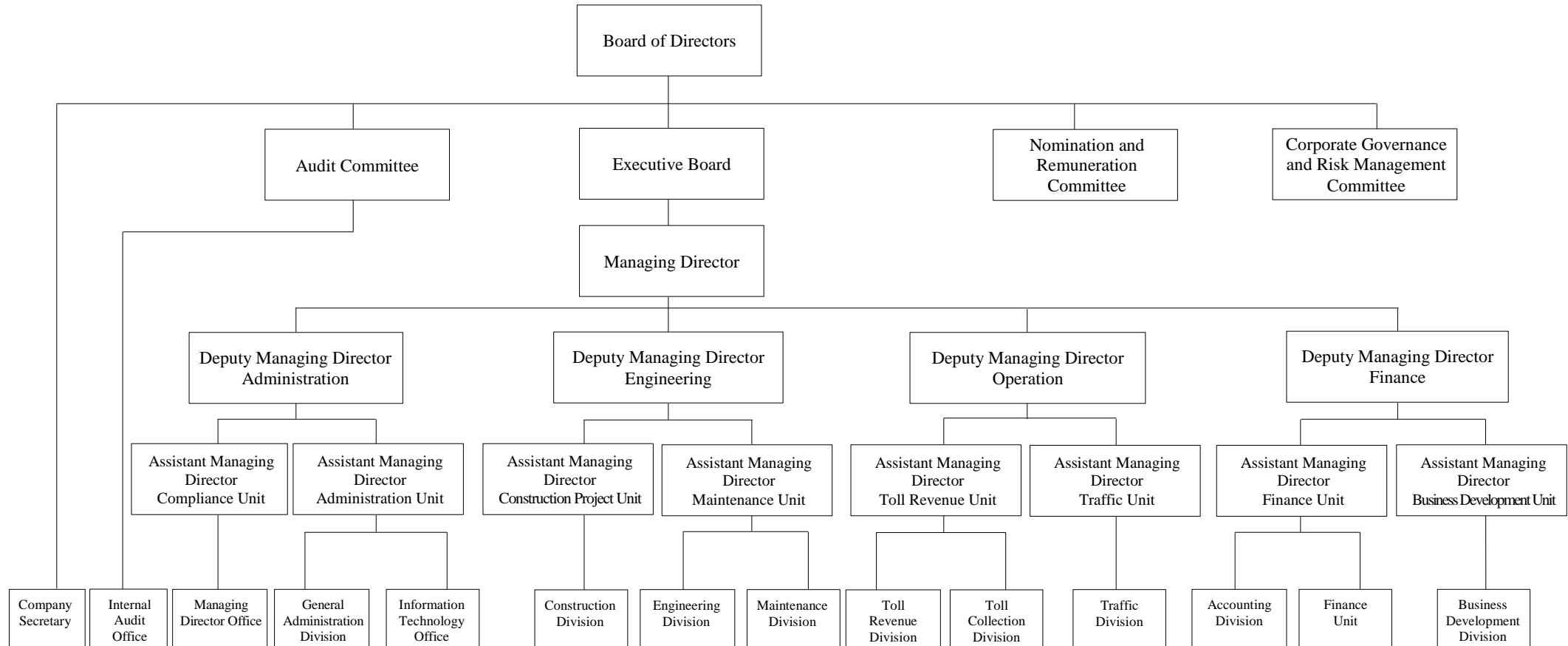
Remarks: Executives No. 1-6 refer to the definition of “executive” of the Office of the Securities and Exchange Commission.

⁽¹⁾ As promoted on 1 October 2014

⁽²⁾ As appointed on 20 March 2014

⁽³⁾ As appointed on 1 October 2014

8.2.2 Management Structure of the Company



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 2014, 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 Watthanavinid | Director |
| 7. Mrs. Payao Marittanaporn | Director |

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 2014, 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 2014 amounted to Baht 26,270,274, which was in line with the resolution of the 2014 Annual Ordinary General Meeting of Shareholders which approved the remuneration for directors in an amount not exceeding Baht 27,800,000 as bonus for directors in 2013 in an amount not exceeding Baht 12,300,000 and remuneration for directors for 2014 in an amount not exceeding Baht 15,500,000.

Unit : Baht

| Name of Director | Position | Remuneration for Directors for 2014 | | | | | Total | Bonus for 2013 |
|--|---|-------------------------------------|-----------------|-----------------|-------------------------------------|--|------------|----------------|
| | | 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 | 2,200,000 | - | - | - | - | 2,200,000 | 1,600,000 |
| 2. Prof. Suphachai Phisitvanich | Director | 550,000 | - | 500,000 | - | 300,000 | 1,350,000 | 1,400,000 |
| | Audit Committee Chairman | | | | | | | |
| | Corporate Governance and Risk Management Committee Chairman | | | | | | | |
| 3. Gen. Sampao Choosri | Director | 600,000 | - | 300,000 | 250,000 | 200,000 | 1,350,000 | 1,200,000 |
| | Audit Committee Member | | | | | | | |
| | Nomination and Remuneration Committee Chairman | | | | | | | |
| | Corporate Governance and Risk Management Committee Member | | | | | | | |
| 4. Dr. Annop Tanlamai | Director | 600,000 | - | 300,000 | 150,000 | 200,000 | 1,250,000 | 950,000 |
| | Audit Committee Member | | | | | | | |
| | Nomination and Remuneration Committee Member | | | | | | | |
| | Corporate Governance and Risk Management Committee Member | | | | | | | |
| 5. Mr. Plew Trivisvavet | Director | 600,000 | 1,000,000 | - | 150,000 | - | 1,750,000 | 1,600,000 |
| | Chairman of the Executive Board | | | | | | | |
| | Nomination and Remuneration Committee Member | | | | | | | |
| 6. Mr. Supong Chayutsahakij | Director | 550,000 | 500,000 | - | 150,000 | 200,000 | 1,400,000 | 1,350,000 |
| | Vice Chairman of the Executive Board | | | | | | | |
| | Corporate Governance and Risk Management Committee Member | | | | | | | |
| | Nomination and Remuneration Committee Member | | | | | | | |
| | | | | | | | | |
| 7. M.L. Prasobchai Kasemsant | Director | 600,000 | 500,000 | - | - | - | 1,100,000 | 950,000 |
| | Executive Director | | | | | | | |
| 8. Mr. Panit Dunnvatanachit | Director | 600,000 | - | - | - | - | 600,000 | 450,000 |
| 9. Miss Arisara Dharamadhaj | Director | 600,000 | - | - | - | - | 600,000 | 450,000 |
| 10. Mrs. Vallapa Assakul | Director | 600,000 | 450,000 | - | - | - | 1,050,000 | 950,000 |
| | Executive Director | | | | | | | |
| 11. Mr. Sudthisak Watthanavinid ⁽¹⁾ | Director | 403,973 | - | - | - | - | 403,973 | - |
| 12. Mrs. Payao Marittanaporn | Director | 600,000 | 500,000 | - | - | - | 1,100,000 | 950,000 |
| | Executive Director | | | | | | | |
| | Managing Director | | | | | | | |
| 13. Mr. Chavalit Wathanakul ⁽²⁾ | Director | - | - | - | - | - | - | 266,301 |
| Total | | 8,503,973 | 2,950,000 | 1,100,000 | 700,000 | 900,000 | 14,153,973 | 12,116,301 |
| Amount approved by shareholders | | | | | | | 15,500,000 | 12,300,000 |

Remarks: (1) Mr. Sudthisak Watthanavinid has served as a director since 26 February 2014.
(2) Mr. Chavalit Wathanakul served as a director since 27 February 2013 and resigned on 1 October 2013.

(1.2) In 2014, 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 2014, amounted to Baht 2,259,658.

- (1.3) In 2014, the Company paid remuneration comprising salary and bonus for executives from the level of the Managing Director downwards to General Manager, a total of 26* persons, amounting to Baht 99,526,520.
- (2) Other remuneration
- (2.1) Other remuneration for directors
- None -
- (2.2) Other remuneration for executives

The Company establishes a providend fund, which represents long-term remuneration upon termination of employment with the Company or upon retirement, whereby executives pay savings at the rate of 5-10 percent of his/her salary according to service years and the Company pays contributions at the same rate to the fund. In 2014, the Company made contributions to the providend fund for 26* executives in the amount of Baht 5,417,380.

The contribution rate paid by the Company was in accordance with the resolution of the Board of Directors' Meeting, taking into consideration the Company's profitability and the Company's operational results.

Remark : * In October 2014, the Company underwent its corporate restructuring, and appointed additional executives at the level of the General Manager.

8.5 Personnel

8.5.1 Number of Staff

As at 31 December 2014, the Company has a total of 679 staff, comprising personnel in two main functions, namely, Operation comprising Toll Revenue Division, Toll Collection Division, and Traffic Division; and Engineering comprising Construction Division, Engineering Division, and Maintenance Division, representing 78.06 percent of all staff, personnel in the supporting functions, namely, Administration and Finance, representing 21.94 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.

In 2014, the Company improved the quality of its staff's work performance, by launching a Lean Office Management program, to apply a variety of tools, methods and activities under the LEAN Management guidelines with an aim to eliminate waste occurring in the operating procedures such as waiting, over processing, waste/defect, and motion. In this regard, various work units set out the respective improvement guidelines under the Lean guidelines, totaling 19 work

processes, for example, how to reduce time to rescue broken vehicles on the expressways, management of short-term investment from daily toll revenue, inspection of impacts from requests for utilization of the right of way from various agencies, etc., which could save time and cost in the Company's operations. The Lean program will be subject to regular improvement.

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.

The Executive Board considers adjusting wages on a yearly basis by taking into account the Company's operational results through the Competency KPIs and its payment coverage ratio.

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 setting out a policy to require each work unit to set out measures and practices 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, and then sets out a policy on hygienic workplaces and routes by applying 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 recertification audit of ISO 14001: 2004 Environmental Management System Certificate by SGS (Thailand) Limited 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.

7) Anti-Corruption in Operating Procedures

The Company designs its operating procedures on the basis of independent check and balance and adopts the SAP system to inspect every step of the operating procedures, including prevention of any potential unusual practices in the procedures.

The SAP system comprises sourcing and procurement, maintenance, inventory, accounting and finance modules, all of which are integrated in one system, to inspect every step of the operating procedures and cross-platform processing, including financial data tracking, which help prevent corruption efficiently.

9. Corporate Governance

9.1 Corporate Governance Policy

The Board of Directors realizes the significance and benefits of good corporate governance to ensure the Company's efficient, transparent and auditable management systems that help build up trust and confidence for shareholders, investors, stakeholders, and all parties concerned, thereby resulting in the Company's sustainable growth. The Company adheres to its corporate governance policy which is in compliance with 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 according to their fundamental rights, laying down measures to prevent inside information usage for advancing personal interests or the interests of 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 which deprive stakeholders of their rights as well as establishing compensation measures in case any stakeholder sustains 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 of the Company.

4. Disclosure and Transparency

All activities are undertaken with transparency and are open for inspection with sufficient information disclosure to all relevant parties as well as monitoring to ensure that disclosure of material information relating to the Company, both financial and non-financial information, will 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 must 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. 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. As a result of the Stock Exchange's updated Principles of Corporate Governance for Listed Companies 2012 in line with the rules of ASEAN CG Scorecard, the Board of Directors has then reviewed its practices in accordance with

the Company's good corporate governance principles, and the Company has also prepared good corporate governance guidelines for compliance.

The Company has adhered to 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 corporate governance. In 2014, the Company's assessment results by the regulatory units and awards from various organizations and agencies were as follows:

- 1) The Company received a "Very Good" rating in the assessment of the corporate governance of Thai listed companies for 2014 from the Thai Institute of Directors Association.
- 2) The Company was rated as one of the Top 50 Public Listed Companies in Thailand according to the result of the survey of corporate governance practices of Thai Listed Companies under the ASEAN CG Scorecard for 2013/2014 conducted by the Thai Institute of Directors Association.
- 3) The Company received an "Excellent and Role Model Company" rating in the assessment of the quality of the 2014 Annual Ordinary General Meeting of Shareholders conducted by the Thai Investors Association.
- 4) The Company received an outstanding award for corporate social responsibility for 2014 and received a CSR Recognition 2014 award from the Stock Exchange of Thailand and Money & Banking Magazine.

The Company's adherence to the Principles of Good Corporate Governance for Listed Companies 2012 in accordance with the best practices of the Stock Exchange of Thailand (the "Stock Exchange") 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 which deprive 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 provided with other information in support of their consideration of each agenda item in due course in accordance with the practices of the Stock Exchange, 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 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 must encourage 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 must be protected, whereby the Company must not take any actions in

violation of or which deprive 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 auditors and determination of audit fee, including voting on any important matters of the Company.

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

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

Notices of meetings which have detailed explanations of and reasons in support of each agenda item, date, time, place, including details relating to the documents or evidence in support of participation in meetings, are prepared by the Company both in Thai and English versions for the benefit of foreign shareholders. The Company posts notices of meetings on the Company's website 30 days in advance. For the 2014 Annual Ordinary General Meeting of Shareholders on 23 April 2014, the notice was displayed from 21 March 2014. In addition, notices of meetings must be sent to Thailand Securities Depository Company Limited, as the Company's share registrar, for delivery to shareholders 14 days prior to meeting dates, i.e., 8 April 2014, so as to allow shareholders to have time to consider the details of each agenda item. Furthermore, shareholders' meetings must 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 in meetings, so that shareholders have the opportunity to study information in support of their consideration of each agenda item.

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 do not fall on any long holidays or public holidays; and an appropriate meeting time which is not be too early in the morning or too late in the evening. Meetings are held at venues which are 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. In 2014, the Company convened one shareholders' meeting, namely, the 2014 Annual Ordinary General Meeting of Shareholders on 23 April 2014, at 14:00 hours, at Ballroom, Queen Sirikit National Convention Center,

No. 60 New Rachadapisek Road, Klongtoey, Bangkok, so that shareholders could travel there using the MRT service.

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 the 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 a proxy to attend meetings.

2) Conduct of Shareholders' Meetings

The Company's reception staff facilitates shareholders' participation in meetings and provides information to shareholders both before and after meetings as well as serves 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 barcodes 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 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 2014, 11 out of 12 directors attended the 2014 Annual Ordinary General Meeting of Shareholders, and the 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 have one vote for each share held by them. Normally, a majority of votes of shareholders who attend the meeting and cast votes is applicable. Agenda items on determination of remuneration for directors must be passed by not less than two-thirds of all votes of the shareholders who attend the meeting. As for other issues, votes are in accordance with the Articles of Association, laws and relevant regulations. Agenda items for acknowledgement require no resolution.

2.4 Vote counting or examination in shareholders' meetings

The Company uses the barcode system to record and display voting results. A legal advisor and at least two independent persons as shareholders' representatives 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 introduces the examiners of vote counting to the meetings for recording in the 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'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 facilitate the collection of voting cards in the meeting room. To ensure transparency, the Company has its legal advisor and the shareholders' representative serve as witness in the counting of votes.
2. In case shareholders appointing their proxies have clearly voted for, against or abstained from voting on the respective agenda items, the Company collects and records such votes for computer processing in advance. The legal advisor and the shareholders' representatives examine the counting of votes by proxy, in which case, no voting cards are 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 that the Board of Directors has sufficient time to clarify or answer shareholders' questions, the Company collects only the voting cards of the shareholders attending the meeting in person and intending to vote against or abstain from voting.
4. For the agenda item on appointment of directors in respect of which the shareholders may vote on an individual basis, the Company collects the voting cards from all shareholders attending the meeting to ensure 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 encourages 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 matters other 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 on its website in addition to the disclosure to the Stock Exchange 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 are made available for all shareholders' information on the Company's website after the minutes have been delivered to the Stock Exchange 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, and 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, and promulgates measures to prevent inside information usage for advancing personal interests or the interests of others which may cause damage to shareholders as a whole.

1) Provision of Information prior to Shareholders' Meetings

The Board of Directors ensures 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 in accordance with the rules on disclosure, and such notice is posted on the Company's website on the following business day; ensures 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 one month prior to the meeting date. The Board of Directors also ensures 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 items to the shareholders' meeting and to nominate qualified candidates for appointment as directors via the Company's website. Shareholders may exercise such rights one month prior to the end of each accounting year for the purpose of the Company's annual ordinary general meeting of shareholders, a procedure that started with 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's website, including relevant rules on the Company's website. In this regard, the Board of Directors considers incorporating agenda items proposed by shareholders as appropriate. As for the candidates

nominated for appointment as directors, the Management proposes such names to the Nomination and Remuneration Committee for further submission to the Board of Directors and the shareholders' meeting.

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

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 of such guidelines for compliance. In this regard, the Company has established measures to prevent inside information usage to advance the interests of directors and executives by informing all persons of their roles and duties to report their own securities holdings, and those of 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 Office of the Securities and Exchange Commission ("SEC") 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, and 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 imposes a duty on its directors and executives to report on their personal interests and disclose their holdings of directorships or executive positions in other legal entities, and their shareholdings in other legal entities in excess of 25 percent of total voting shares and this obligation applies to both reporters and their related persons. This is to ensure that the Board of Directors has 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 keeps such reports on interests of directors and executives, and provides 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 gives 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 takes 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 transaction 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 and the SEC;
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, the Company must comply with the rules and regulations of the Stock Exchange, as follows:

1. The Company must 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 the price is not available, the Company must 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 must require an independent price appraiser's opinion for price comparison with respect to material related transactions, to ensure that 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; as well as transactions of a size beyond the Management's scope of power, may be executed by the Company subject to approval of the Board of Directors' meeting, in which the interested director or high level executive may not participate in the consideration and approval of such transaction;
5. The Company must disclose information on transactions in accordance with the rules as specified by the SEC;
6. The execution of connected transactions must 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 stakeholder 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 requires the Company to 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 stakeholder sustains 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 to realizing the significance of 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 responses 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 to allow 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, mutual practices, 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 operations 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 relationships 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 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 directors and/or staff to accept any benefits from traders.
7. Evaluating traders on a yearly basis and informing them of the 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 confidential information dishonestly or improperly, such as, bribing directors and staff of its competitors.
9. Refraining from making a serious accusation against traders without reasonable grounds.

1.4 Lenders/Debenture Holders: The Company strictly complies with the conditions of its 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 refrains from breaching 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 must 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, or acceptance of any fraudulent benefits, 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 SEC 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 a 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, including the occupational safety and health, 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 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 rewards, on the basis of staff's knowledge, capacities and qualifications.
5. Maintaining 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. In 2014, the Company's work-related accident statistics involved two accidents on the Expressway with zero staff casualties.
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 2014, the Company arranged for staff to attend training averaging 26.38 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 beliefs, whereby the Company supervises staff to ensure that they 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 takes account of 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 support to various community activities.

2) **Anti-Corruption Policy**

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 inducing 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 gain or for gains of 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 have a duty to maintain the Company's intellectual property works and may 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, must 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 to 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, Bangkok 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 appoints or authorizes 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 processes and screens such facts and then considers proposing appropriate steps and actions for handling such complaints.
3. Measures
The authorized working group proposes 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 reports on the results to the stakeholders who submitted 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 are protected in accordance with the following criteria:

1. The complainants or those who provide cooperation in the investigation of facts may choose to keep their identities undisclosed, in case such disclosure may jeopardize their safety or cause any damage.
2. In case their identity is disclosed, the Company will report on developments of the fact finding.
3. The Company may 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 may 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 jeopardize safety, appropriate protection measures must be implemented.
5. Those who sustain damage will 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, proposes 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 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 an annual survey of wages and remuneration, in comparison with other organizations, as well as continuing support for development via quality activities.

Objectives: Staff should 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 that it must minimize any impacts on at-grade traffic, and keep dust and noise problems during construction to a minimum. As such, the Company utilizes the state-of-the-art technology available at such time and complies with AASHTO safety standards.

Objectives: The construction must 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 must 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 EXAT, 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 has installed a 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 must be prevented for the Expressway users to rest assured of their safety, in addition to convenience and rapidity, over at-grade roads.

- (4) Continued service improvement: The Company has formed a work unit responsible for research and development, comprising engineers and consultants with expertise in the field of transportation and traffic engineering to conduct studies on improvement of the physical characteristics and inspection of 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 must be initiated for the Company to continuously develop and improve the services in terms of convenience, rapidity and safety.

3. Contractual parties / traders: EXAT, 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 are reasonable as 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 educating and practicing through appropriate activities, in line with the policy and

budget approved by the Board of Directors. The Company puts in place 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 seeks to 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 will receive opportunities from society and trust from the government sector to continue its infrastructure service business.

6) Risk Management Policy

The Board of Directors believes in the significance of the Enterprisewide Risk Management (ERM) in the management systems and major operations which are important to efficiently and effectively achieve 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 an 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 for 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 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, so that the Company's business operations will be transparent and open for inspection with sufficient information disclosure equally to all parties concerned. The Managing Director has 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 SEC and the Stock Exchange.

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 has established the Investor Relations unit to represent the Company in communicating information useful to shareholders, debenture holders, investors, securities analysts, mass media, and relevant parties. The Company has also been a member of Thai IR Club since 2005, and set up an Investor Relations unit for communication purposes, and a dedicated team is ready to provide information and news to investors and securities analysts and mass media, make appointments, as well as coordinate with shareholders, debenture holders, and investors to ensure sufficient and equal access to appropriate information without any discriminatory treatment of any specific group. Interested investors may contact the Investor Relations Department, at 0 2641 4611 Ext. 6200 or 6221 and 6222. Investors who find it inconvenient to visit the Company's Office No. 238/7, Asoke-Dindaeng Road, Bangkapi 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 Deputy Managing Directors, 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 for 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 as the authorized person to disclose such information to the Stock Exchange and answer questions from 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 party or abusing their positions for personal gains or for the gains of 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 for the gains of 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 for the interests of others.

The Company's disclosure of information to staff must 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, for 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 ensures that the Company's disclosure of material information follows the specified policy and requirements. The disclosure is prepared both in Thai and in English and is made available via the Stock Exchange's channel and on the 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. This information and news are made available in support of decision-making by investors and relevant parties, together with monthly corporate presentations to investors, which are 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 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 reports, the Board of Directors prepares 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 are then 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 public disclosure, the Company also participates in various activities to serve as a disclosure channel to directly meet with investors and hear their opinions as well as create good relationships with investors via activities, such as, Roadshow, Opportunity Day, Company Visit, Analyst meeting, exhibition booths, etc. The Company's management staff are rotated to accompany the Investor Relations staff to communicate and provide better explanations in support of their decisions to invest.

In 2014, the Company organized Company Visits and Conference Calls, and Press Interviews, as well as participated in local and international Roadshows organized by various institutions for foreign investors, as follows:

- "dbTISCO Access Thailand Services Sectors Corporate Day" organized by Deutsche TISCO Investment Advisory Co., Ltd.;
- "J.P. Morgan Asia Rising Dragons 2014" Roadshow organized by J.P. Morgan in Singapore;
- "SET Road Show in Hong Kong" organized by the SET, in association with BNP Paribas Securities Services in Hong Kong;
- "Thailand Focus 2014" Roadshow organized by the Stock Exchange of Thailand, Phatra Securities Company Limited and Bank of America Merrill Lynch;
- Roadshow : dbAccess Thai Tourism, Transport & Healthcare Corporate Day organized by Deutsche TISCO Investment Advisory Co., Ltd.

The foregoing events were 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 Opportunity Day event organized by the Stock

Exchange 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 to allow 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 2014 for further improvement. The survey revealed that the provision of service in such Investor Relations activities was satisfactory to 94.00 percent of those surveyed.

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 SEC, in regard to other executives along with staff who are authorized to access the Company's material information which may influence securities price movements, 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, 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 monitors and supervises 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 create wealth for shareholders based on the good corporate governance principles. The Board of Directors monitors and supervises management to ensure that the strategies have been applied to the business for sustainable growth.

The Board of Directors complies with the best practices of the Stock Exchange 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. The Company has four independent directors, which represents one-third of all directors. In addition, one director as EXAT's representative who has experience in the Company's core business is a non-executive director.

- 1.2 The Board of Directors includes four independent directors, the number as required by the SEC, who are able to independently provide opinions on the Management Team's performance. The Company also determines qualifications of "independent directors" stricter than the minimum requirements of the SEC and the Stock Exchange.
- 1.3 Directors have a term of office of three years, and the retiring directors may be re-elected. At every annual ordinary general meeting of shareholders, one-third of the number of directors vacate their offices 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 may 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 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 directorships 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 operations 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. The Board of Directors has determined duties and responsibilities of each subcommittee as detailed on pages 9-39 to 9-43.

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 experience in various fields, and has independence 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 is 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. The code of business ethics prescribes 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 ethical conduct. In the past, all directors, executives and staff have been informed of and well understood 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 transaction which may involve a conflict of interest, interested directors may not attend nor vote on such matter at the meeting.
- 5) In respect of risk management, the Board of Directors follows up and acknowledges risk management plan of the Company from the Management's report on operational results in each Board of Directors' meeting and from the Report of the Corporate Governance and Risk Management Committee.

In addition, the Company requires that its code of business ethics 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 annual survey on compliance with the Company's code of business ethics for directors, executives and staff which they must sign to signify their responsibility for compliance with the Company's code of business ethics, the Company has continuously supported training on corporate governance on a yearly basis for high and middle level executives, so as to enhance their knowledge, understanding, visions, and good attitudes towards the Company's management in compliance with good corporate governance principles to build leadership and ensure succession to the management, including performance of duties and direction of corporate with morality and ethics.

The Board of Directors and executives adhere to the guidelines for good corporate governance 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 2014. In addition, the Board of Directors received 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 from the Thai Institute of Directors Association in association with the Stock Exchange 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 for 2014 | | | | |
|---------------------------------|---|-----------------|-----------------|---------------------------------------|--|
| | Board of Directors | Executive Board | Audit Committee | Nomination and Remuneration Committee | Corporate Governance and Risk Management Committee |
| 1. Dr. Virabongsa Ramangkura | 6/6 | | | | |
| 2. Prof. Suphachai Phisitvanich | 5/6 | | 4/4 | | 4/4 |
| 3. Gen. Sampao Choosri | 6/6 | | 4/4 | 2/2 | 4/4 |
| 4. Dr. Annop Tanlamai | 6/6 | | 4/4 | 2/2 | 4/4 |
| 5. Mr. Plew Trivisvavet | 6/6 | 12/12 | | 2/2 | |
| 6. Mr. Spong Chayutsahakij | 5/6 | 12/12 | | 2/2 | 4/4 |
| 7. M.L. Prasobchai Kasemsant | 6/6 | 12/12 | | | |
| 8. Mr. Panit Dunnvatanachit | 6/6 | | | | |
| 9. Miss Arisara Dharamadhaj | 6/6 | | | | |
| 10. Mrs. Vallapa Assakul | 6/6 | 10/12 | | | |
| 11. Mr. Sudthisak Watthanavinid | 3/5 ⁽¹⁾ | | | | |
| 12. Mrs. Payao Marittanaporn | 6/6 | 12/12 | | | |

Remark : ⁽¹⁾ Mr. Sudthisak Watthanavinid was appointed in the Board of Directors' Meeting No. 1/2014 on 26 February 2014 to replace Mr. Chavalit Wathanakul who resigned on 1 October 2013.

1) The Board of Directors' Meetings

The Company must give prior notice of the 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 their time to attend the meetings. Pursuant to the Articles of Association, the Board of Directors must meet every three months; a quorum consists of not less than 60 percent of the total number of directors; and every director must attend not less than 75 percent of the total number of the Board of Directors' meetings held each year. 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. The Executive Board meets every month in order to closely follow up performance of the Management.

According to the improved operational practices implemented in November 2013 in accordance with the Principles of Corporate Governance 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 operational results is required to be submitted to the Board of Directors for acknowledgement in the months when no meeting is held. This practice commenced in 2014.

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

The agenda is determined by mutual discussion between the Chairman of the Board of Directors and the Managing Director. In 2014, nine directors attended the meetings, representing 100 percent of the total of six meetings, including one meeting among non-executive directors and without the Management, in order for the directors to independently discuss and exchange their opinions and to follow up the performance of the Management.

At every meeting, the Chairman of the Board of Directors serves as the chairman of the meeting to ensure that each item is carefully considered and all directors are 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 of the meeting 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, and the Management gives prior notice to such directors and executives who are not allowed to attend the meeting or vote on such item. In considering who is a connected person and interested person, the Board of Directors takes into account the report on interests which all directors and executives 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) Subcommittee meetings

The Board of Directors monitors the implementation of the Company's policies and strategies by convening subcommittee meetings to consider various significant matters and preparing reports on work performance of every subcommittee for submission to each Board of Directors' Meeting, as follows:

2.1 Audit Committee

The Audit Committee regularly meets at least every quarter with the Company's auditor, the internal auditor and the Management and executives responsible for accounting and finance, for review of financial statements on a quarterly basis and makes a report to the Board of Directors, or in case the Management executes any connected transaction or transaction relating to asset acquisition or disposal which must take into account appropriateness, justification and the utmost benefit of the Company, the Audit Committee Chairman may convene additional meetings.

In 2014, the Audit Committee convened four meetings, and there was one meeting with the auditor without the Management. The Audit Committee reports quarterly to the Board of Directors on its performance and will yearly summarize its performance during the previous year via the Audit Committee's report. Furthermore, in 2014, the Audit Committee considered executing a connected transaction.

2.2 Nomination and Remuneration Committee

In 2014, the Nomination and Remuneration Committee convened two meetings for nomination of qualified candidates 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. The said meetings also reviewed remuneration of directors for 2014 and bonus for 2013 for submission to the 2014 Annual Ordinary General Meeting of Shareholders for approval, and considered remuneration for the Managing Director in accordance with the results of performance evaluation for submission to the Board of Directors for approval. At the meeting for review of the nomination criteria, the Nomination and Remuneration Committee considered adding the criteria and procedures for nomination of candidates to be appointed as directors, namely that in the nomination of directors, there should be consideration of the required qualifications taking into account necessary skills for the Board and qualifications in line with the Company's business strategies.

According to the improved operational practices implemented in November 2013 in accordance with the Principles of Corporate Governance 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 commenced in 2014 onwards.

In 2014, the Nomination and Remuneration Committee convened two meetings to consider remuneration for directors for 2014 and consider reviewing the nomination criteria and determining remuneration for directors for 2015.

2.3 Corporate Governance and Risk Management Committee

In 2014, the Corporate Governance and Risk Management Committee convened four 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.

After consideration of the Company's compliance with the good corporate governance principles, comprising five categories, in accordance with the best practices in the "Principles of Corporate Governance for Listed Companies 2012", the Board of Directors deemed it appropriate to improve the operational practices in line with the corporate governance policy for a listed company under the guidelines of the Stock Exchange, and the Corporate Governance and Risk Management Committee will meet at least once every quarter, a practice that commenced in 2014.

In 2014, the Corporate Governance and Risk Management Committee convened four meetings to consider risk management each quarter and review risks and risk management plan for 2015.

2.4 Executive Board

The Executive Board schedules meetings on every third Wednesday of each month. In 2014, 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.

In 2014, the Executive Board convened 12 meetings to scrutinize the agenda items as proposed to the Board of Directors, approve transactions with a value not exceeding Baht 50 Million, and increase staff salary and monetary rewards for 2014.

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 must 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.

Board Self-Assessment Results

In 2014, the Company delivered a self-assessment form to each director to evaluate the overall performance of the Board of Directors, the results of which were used 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 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 and fairness and without influence of any person, and also to consider 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 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 that the Board of Directors gives priority and contributes sufficient time to consider significant matters relating to the direction of the Company's business operations, reviews the good corporate governance policy of the Company, as well as ensures compliance with various policies, reviews the code of business ethics, and monitors to ensure that no conflict of interests arises from any connected transactions and transactions. 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 follow up and monitor 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 that the Company gives prior notice of annual schedule of the meetings, together with the main agenda, to directors so that they may 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 may fully discuss significant issues at each meeting.
- 4) **Directors' Duties:** Directors' performance of duties is satisfactory, namely that 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 in 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 can straightforwardly discuss with the Managing Director and maintain good relations with the Management. The Managing Director can 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 that directors understand their roles, 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 allows 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 has 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.

Subcommittee Self-Assessment Results

In 2014, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Risk Management Committee, and the Executive Board, conducted self-assessment, with the opinions of committee members summarized as follows:

1. Structure and Qualifications of the Subcommittees: The results of assessment are satisfactory. All subcommittee members are of the opinion that the total number of subcommittee members is suitable to the nature of business operations of the Company, thereby supporting the subcommittees to perform their overall duties efficiently. The subcommittees comprise personnel with sufficient knowledge and experiences in a variety of fields which supports the subcommittees to perform their overall duties efficiently.
- 2) Role, Duties and Responsibilities of the Subcommittees: The subcommittees' results of assessment are satisfactory, which can be summarized as follows:
 - The Audit Committee has ensured that the financial statements have been prepared in accordance with the generally accepted accounting standards; the internal audit tasks have been supervised and monitored for ensuring the appropriate and effective internal audit system; the execution of transactions which may have a conflict of interest has been considered under the specified procedures and for the utmost benefit to the Company; the Company has complied with the securities and exchange law and other applicable laws; and nomination of candidates for appointment, determination of remuneration, and assessment of the auditor's performance are appropriate.
 - The Nomination and Remuneration Committee has ensured that the appropriate criteria for nomination of directors have been determined; the qualified candidates have been considered and nominated for appointment as the Company's directors; the appropriate and transparent criteria for consideration of remuneration for directors have

- been determined; remuneration for directors has been considered under the specified criteria for submission to shareholders; the results of the Managing Director's performance have been assessed under the specified criteria; and remuneration for the Managing Director has been considered in line with the results of assessment.
- The Corporate Governance and Risk Management Committee has conducted studies and followed up movement, tendency and practice in respect of the good corporate governance; has improved and made suggestions on the good corporate governance policy of the Company, including the code of business ethics; has followed up and evaluated the results under the good corporate governance principles of the Company; has considered policies and work plans relating to risk management; has monitored and reviewed overall risk management of the Company, strategies for risk management and alert system of all kinds of risks; has reported on risks and actions taken to minimize risks to the Board of Directors.
 - The Executive Board has provided guiding policies, supervised, made suggestions and advice for the Managing Director and the Management; has set up business plan, budget and managerial power of the Company as assigned by the Board of Directors; has inspected and followed up the compliance with the Company's policies and plans with efficiency; has conducted feasibility studies on new projects, such as, projects awarded by EXAT or under the Second Stage Expressway Agreement; has approved justifiable juristic acts binding upon the Company in an amount not exceeding Baht 50 Million; has approved the appointment, and determination of remuneration for executives from General Manager or higher (excluding the Managing Director); and has reported on the Company's operational results to the Board of Directors.
- 3) The Board of Directors' Meetings: The results of assessment are satisfactory, namely that directors are given prior notice of the annual schedule of the Board of Directors' meetings so as to enable them to manage time to attend every meeting; the number of the Board of Directors' meetings is suitable to support the performance of its duties efficiently and to supervise and monitor the Company's business operations successfully; the agenda of the Board of Directors' meetings are suitable to support the performance of its duties efficiently; directors are also given supporting documents prior to each meeting and sufficient time to read such information in preparation for each meeting; the supporting documents contain sufficient information for directors' decision making; the Board of Directors can request any other necessary information in support of their decisions for the benefit to the Company; the atmosphere at each Board of Directors' meeting allows all directors to express constructive opinions without undue influence of any person; and directors can fully discuss significant issues at each Board of Directors' meeting.

- 4) Directors' Duties: The results of assessment are satisfactory, namely that directors are well prepared and sufficiently study information prior to each Board of Directors' meeting; directors have regularly attended the Board of Directors' meetings; directors independently provide their opinions; directors impartially consider various matters and are independent in making decisions or passing resolutions without undue influence of any individual; directors have provided useful suggestions for the Company's operations; directors understand the significance of each matter and properly contribute their time to consider such matters without wasting time on minor issues; and directors accept different opinions among them without conflict.
- 5) Self-Development of Directors and Development of Executives: results of assessment are satisfactory, namely that directors understand their roles, duties and responsibilities; directors have sufficient knowledge and understanding relating to the Company's business to ensure efficiency in their performance; directors have paid attention to significant information or news relating to economic and industrial conditions, changes in rules and regulations and the status of competition, which allows directors to efficiently perform their duties; directors undergo training to ensure their understanding of the performance of duties in their capacity as directors.
- 6) Relations with the Management: The results of assessment are satisfactory, namely that directors may straightforwardly discuss with the Managing Director; the Board of Directors maintains a good relationship with management; the Managing Director can request directors' advice as necessary; the Board of Directors does not intervene in performance of duties of management, and the Board of Directors participates in solving problems as appropriate in case management's performance does not meet the specified plans and budget.

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

The Board of Directors has 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 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, and 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 attempted to regularly study various management methods; laid down legitimate and proper measures to monitor, protect and secure any property of the Company; 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. 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 are 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 and without barrier, special treatment, 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 encourage them to refrain from causing any damage to the natural resources and the environment and act as role models 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, have constantly assessed the performance of the Managing Director on a yearly basis since 2007 in accordance with the criteria specified by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee is 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 to obtain the Board of Directors' approval.

8. Remuneration of Directors and Executives

- Remuneration for directors : The Company establishes a 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 is 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 considers 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, is 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 2014 appears in Remuneration of Directors and Executives on pages 8-7 to 8-9.

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, involving both internal and external training courses. All directors must attend training for understanding of performance of their duties in their 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 A1-23).

In this regard, the Company also sends directors to regularly participate in various training courses as organized by the IOD.

In 2014, Mr. Sudthisak Watthanavinid, the Company's director, attended the Director Accreditation Program (DAP 112/2014): Governance Training for Listed Company Director, as a fundamental training course for directors to understand their role and duties under the good corporate governance principles, laws, and regulations of the Stock Exchange and the SEC.

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 briefings 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 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 2014, a new director was appointed, and the Company followed the operational practices by briefing the new director about 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 SEC, 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, 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 duties.

The Company sets out a succession plan for the high level executives of the Company, particularly executives and work positions in the primary line, by emphasizing the nomination of internal personnel, and promotion is 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, considers 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 reviews the principles, and selects knowledgeable and qualified persons, while the Board of Directors considers appointing persons at the Managing Director level, and the Executive Board considers appointing the executives at the General Manager level and higher. As at 31 December 2014, the percentage of the executives at the General Manager level and higher who were promoted through internal nominations represented 80.77 percent.

The executive who has been determined to succeed to an office must not only be qualified and experienced in the appropriate field, but must also have accepted transfer of knowledge and experience with rotation to other related work units as well as attended 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 follows up the assessment in respect of nomination process for qualified and knowledgeable persons as required, with 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. The Company has adopted Performance Management System: PMS as the performance assessment tool since 2010 and has conducted the assessment twice, focusing on 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 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 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 26 persons.

Details of such four subcommittees, their powers and duties as well as the nomination procedures in accordance with their respective charters, are 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 | Watthanavinid | Director |
| 12. Mrs. Payao | Marittanaporn | Director |

The Board of Directors' Authority and Duties

1. 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 interests based on the good corporate governance principles.
2. 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 results to shareholders.
3. 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 meetings of shareholders as required.
4. Convening the Board of Directors' meetings on a quarterly basis; each meeting requires at least 60 percent of all directors. Decisions of the meeting are made by a majority of votes. In the case of an equality of votes, the chairman of the meeting has 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 verifying information in the reports.
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. 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 interfering 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. Prof. Suphachai Phisitvanich, an independent director who has knowledge in the field of accounting and finance, was appointed to hold office as Audit Committee Chairman, and the General Manager of the Internal Audit Office serves as secretary to the Audit Committee. As at 31 December 2014, 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 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 that 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 a person who is independent to serve as the Company's auditor, and proposing remuneration and termination of employment 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 involve a 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. Such report must be signed by the Audit Committee Chairman and comprise 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 involve 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 providing 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 best practice guidelines for audit committee of the Stock Exchange.
9. In performing its duties, should the Audit Committee find or should 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 will report on its findings 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, and appointed 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 2014, 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 and determining criteria for consideration of remuneration of directors and the Managing Director.
4. Considering and determining remuneration of directors and proposing the same to the shareholders' meeting for consideration and approval.
5. Considering and reviewing salary rates and other remuneration 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 positions as the Corporate Governance and Risk Management Committee Members. As at 31 December

2014, 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 2014, 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 meets 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, projects 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 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 has the 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 not exceeding Baht Two Million per act.

In this regard, the Board of Directors regularly evaluates performance of duties of the Managing Director for comparison with the target as determined on a yearly basis, and the Nomination and Remuneration Committee considers remuneration of the Managing Director by assessing 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 nominates 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 involve a conflict of interest, including such shares held by related persons and other qualifications as stipulated by the SEC (not exceeding one percent).
2. Having no involvement in the management, not being employee/staff/advisor receiving a regular salary or not having controlling power over the Company, its parent company, subsidiary, associated company, subsidiary at the same level or legal entity which may involve a conflict of interest at present or 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 involve a conflict of interest at present or 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 must 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 considers nominating persons to be appointed as directors to replace those directors who vacate office, both resignations 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 SEC and rules of the Stock Exchange.
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, and 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 considers from his past records whether he performed duties as director with due care, integrity and full-time contribution.
5. In the nomination of directors, there should be consideration of the required qualifications taking into account necessary skills for the Board and qualifications in line with the Company's business strategies.

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, and the Nomination and Remuneration Committee proceeds in accordance with the following procedures:

1. Nominating qualified candidates to fill the vacancy.
2. Considering qualifications of the director who represents EXAT 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 must vacate their offices. 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 have a term of three years, and 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 in which the directors will hold office as directors, 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 directors by shareholders are as follows:

1. One shareholder has one vote for every one share held by that shareholder;
2. When electing directors, the casting of votes is 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 must 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, for 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. The executive in the position of Managing Director must be nominated by the Nomination and Remuneration Committee, which considers 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 a good 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. For any executives at the level of General Manager or higher, the Managing Director proposes the nominations to the Executive Board for consideration and appointment.

9.4 Supervision of Operations of the Subsidiary

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 considers 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 have power, duties and responsibilities in establishing the significant policies. In this regard, the Board of Directors considers and establishes policies for the directors who are the Company's representatives to vote on various key items of the Subsidiary.
- (2) The 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 a representative from EXAT;
 - One Managing Director of the Subsidiary.
- (3) Governance mechanism of the Subsidiary regarding connected transactions and acquisition or disposition of assets

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 supervise to ensure the Subsidiary's strict compliance with such rules. The details of each such transaction are 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, and the Company's Internal Audit Office regularly reviews and follows up its compliance with the internal control system, which is 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 must keep directors and executives informed of the SEC's applicable notifications requiring directors and executives to report on every change in their securities holdings to the SEC pursuant to Section 59 within three days from the date of such change in securities holdings. The Company Secretary must be informed thereof to keep records of such change. In this regard, the directors and executives must 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) Identifying 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 information which has a material effect on the operations via the Stock Exchange'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 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 the interests of others. 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 must keep confidential information relating to the Company's business to which they have access, whether directly or indirectly, and must refrain from disclosing it 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 for 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 that the 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 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 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 the auditor.

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

Remuneration for auditor is divided into two categories**(1) Audit fee**

In the accounting period of 2014, the Company and its Subsidiary paid the audit fee of Baht 1,405,000 to EY Office Limited, representing an increase by Baht 23,000 from the previous year or 1.66 percent. 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 2014, the Company and its Subsidiary did not use any other services from EY Office Limited or have any business related to the auditor and EY Office Limited.

9.7 Compliance with Good Corporate Governance Principles

The Company has fully complied with the Principles of Corporate Governance 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 Board of Directors 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 directorships.

The Board of Directors has no policy to limit the number of companies in which each director may hold directorships since, after considering the matter; it is of the view that all directors devote their time to regularly attend meetings. However, in 2014, none of the Company's directors held office as directors in more than five listed companies.

10. Corporate Social Responsibility

Path to Sustainability

Bangkok Expressway Public Company Limited, as the Expressway operator, is regarded as a key component of the national development, and it is committed to becoming the leading company of expressway service with vision for good corporate governance, convenience and safety under the quality management and continued development. The Company also focuses on the social dimension by setting a clear social mission to coexist with society and pursue its sustainable development without causing any negative environmental impact.

To ensure sustainable coexistence with society in parallel to the Company's ongoing growth under the said social mission in the hope of building a good foundation for people in society for future development, it is, first of all, necessary to formulate the fundamental concept based on such social mission for staff to enable them to efficiently perform, coordinate and develop society in collaboration with the stakeholders for the purpose of development of the quality of the neighborhoods surrounding the Expressway routes, which will ensure such concept to materialize in the Company's operations. The focus on this concept originates from potential impact of the Company's business operations, from construction to provision of service, on the communities surrounding the Expressway routes. Secondly, it is essential to improve and enhance the efficiency of the routes by way of regular review of the operating procedures, which takes into consideration not only the compatibility with the current operations, but also future improvement and enhancement (preventive thinking), to minimize potential risks and impacts, ensure rapid management, instant response and more effective cost management by the Company. Thirdly, the Company plays a key role in helping alleviate the traffic problem for people in society. It is a known fact that traffic congestion has many effects upon society, such as, its economic effects on business interactions of people; its social effects on people's emotion states; and its environmental effects as a result of emission of pollution to the society and this world. The Company is determined to minimize these impacts by building good and most suitable expressway routes for society. Lastly, the Company is recognized as a socially responsible business through staff operations to monitor the quality of the routes to be always ready for service and safe, as well as take care of, share knowledge and opportunities to the neighborhoods adjacent to the existing and future routes of the Company.

Based on the foregoing, it can be seen that the Company is committed to becoming Thailand's leading expressway operator, which can sustainably coexist with society and environment along the routes in parallel to the Company's long-term growth under the good corporate governance, transparency, integrity and auditability, and collaborative development between the Company and all stakeholders for the purpose of sustainable coexistence.

Role of All Stakeholders

The Company has a clear policy which realizes the significance of rights of every group of stakeholders, namely, such internal stakeholders as staff and executives of the Company; and such external stakeholders as customers, traders, society and communities adjacent to the Expressways, not to mention schools, temples, and many other relevant authorities. The Company's operations mainly focus on human rights, provision of opportunities and holistic development. Any stakeholders wishing to contact or make any comments are welcome to directly contact the Company's

directors or make inquiries via the Company's channels without any discriminatory treatment. In 2014, the Company's responsibilities and communications with each group of stakeholders could be summarized as follows:

| Stakeholder | Responsibility | Communication Process | Communication Channel |
|---|--|--|--|
| Staff | <ul style="list-style-type: none"> - Developing staff competency and reviewing their remuneration - Appropriately adjusting welfare - Treating staff equally and fairly - Creating staff engagement with the organization - Communicating information and news to staff | <ul style="list-style-type: none"> - Annual Report - Corporate Social Responsibility Report - Programs for personnel development and staff competency in all levels - Whistleblowing channel - Welfare Committee | <ul style="list-style-type: none"> - Annual Report - Sustainability Report - Intranet - E-mail - Website - Suggestion box - Public relations |
| Shareholders | <ul style="list-style-type: none"> - Ensuring a sound financial position - Ensuring return on investment - Ensuring transparent and auditable operations - Ensuring the Company's continued growth | <ul style="list-style-type: none"> - Annual Report - Corporate Social Responsibility Report - Ordinary general meeting of shareholders - Extraordinary general meeting of shareholders - Conference call - E-mail - Briefings | <ul style="list-style-type: none"> - Annual Report - Sustainability Report - Website - E-mail |
| Customers/ Service Users | <ul style="list-style-type: none"> - Providing convenient, rapid and safe service - Providing service information and suggestions - Providing problem-solving assistance - Ensuring adequacy of facilities - Monitoring route conditions | <ul style="list-style-type: none"> - Safety equipment installation - Provision of facilities - Bulletin board - Satisfaction surveys | <ul style="list-style-type: none"> - Annual Report - Sustainability Report - Website - Call Center - Advertising - Public relations |
| Communities adjacent to the Expressways operated by the Company | <ul style="list-style-type: none"> - Reducing pollution from operations - Providing compensation plan for those affected by the Company's operations - Fostering community economy development - Listening to complaints of nearby communities | <ul style="list-style-type: none"> - Community visit activities - Community relations activities by sponsoring education, sport, culture, basic infrastructure | <ul style="list-style-type: none"> - Annual Report - Sustainability Report - Regular site visits - Website - Advertising - Public relations - Call Center |

| Stakeholder | Responsibility | Communication Process | Communication Channel |
|---------------------------------|---|---|--|
| | | <ul style="list-style-type: none"> - Meetings - Participation in activities with communities, public and private sectors, and local administration authorities - Social activities | |
| Government/ Regulatory Units | <ul style="list-style-type: none"> - Complying with applicable rules, regulations and laws, including government's policies - Complying with the Stock Exchange of Thailand's regulations - Cooperating with various agencies for the convenience and safety of the Expressway Users | <ul style="list-style-type: none"> - Meetings among agencies - Compliance with laws, rules, regulations and corporate governance - Building good relationships - Company visits | <ul style="list-style-type: none"> - Annual Report - Sustainability Report - Meetings - Letters - Telephone - E-mail - Website - Joint working teams |
| Traders | <ul style="list-style-type: none"> - Complying with contracts and agreements - Ensuring security - Commercial activities and other services | <ul style="list-style-type: none"> - Meetings - Traders' satisfaction surveys | <ul style="list-style-type: none"> - Annual Report - Sustainability Report - Call Center - Letters - E-mail - Website - Meetings - Notifications - Joint working teams - Advertising - Public relations |

Selection of Significant Issues regarding Sustainability

2014 marked the year of the beginning of the selection of significant issues under the guidelines of Global Reporting Initiatives Version 4 (GRI-G4). The Company started to first consider identifying significant issues from its internal process, i.e., strategies and risk factors currently encountered or to be encountered by the Company, to identify key issues in order to formulate the management guidelines to mitigate risks and impacts of each issue. However, in 2014, the Company did not yet clearly formulate any stakeholder engagement process under the guidelines of GRI-G4. Therefore, the selected significant issues involved such issues below as prescribed by representatives of various internal divisions related to the corporate direction and communications with stakeholders:

- Employment
- Training and Education

- Safety and Security
- Product Responsibility
- Economic Performance
- Local Community Development
- Human Rights
- Energy
- Effluents and Waste

The Company's Business Philosophy for Sustainability

Thailand's development over the past 20 years 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 basic infrastructure development projects.

In light of the Company's commitment to development of the national transportation system to alleviate the traffic problems, and potential risks from its operations, 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 the impact on stakeholders, economy, society and environment. The Company has adhered to fair practice and business ethics at 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 for the Expressway users and society as a whole.

It is a clear policy of the Company to be responsible for rights of all groups of stakeholders, as follows:

1. Internal stakeholders, i.e., staff and executives of the Company and its Subsidiary;
2. External stakeholders, i.e., customers, business partners, lenders, counterparties, competitors, society, communities and schools located near the rights of way, including government sector and relevant authorities.

The Company regularly organizes various activities, e.g., conferences, dialogues, visits, public hearings, studies and surveys on demands and satisfaction, to promote good relationships between the Company and stakeholders. Such 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.

To achieve its goals, the Company has set out practical guidelines for corporate social responsibility to cover the entire Path to Happiness for Bangkok Expressway Public Company Limited, 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 scope of its corporate social responsibility in three dimensions was then determined 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 processes 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, counterparties, as well as on creating innovations 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**” for society.

Performance for Sustainable Development

The Company's business philosophy for sustainable development focusing on creation of the “Path to Happiness” as mentioned above materializes by engaging staff collaboration with communities, society and environment in support of the achievement and continuity of the Company's social mission. The performance in 2014 can be summarized as follows:

1. **The Source of Happiness** is aimed at raising the service-minded awareness for development of competency of personnel and the Company, focusing on the quality service to facilitate the Expressway users' commute. The Company then gives priority to the regular improvement and development of personnel in accordance with the Company's code of ethics to achieve success in the sustainable growth.

1.1 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 providing 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 will 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 convenient and safe transportation. As a result, the Company's staff perform well in collaboration with the Expressway Authority of Thailand (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 the Expressway users.

1.2 Rescue Operation and Traffic Management

1.2.1 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 operations 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.

1.2.2 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 aid to injured motorists.

1.2.3 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 accidents 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.

1.2.4 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.

1.2.5 On The Job Training

All rescue operation staff must review work procedures every time before attending to their operation, and must 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 in three groups each, during the middle and the end of each year.

1.2.6 New Staff Orientation

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

1.2.7 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 entitled "Change a Complaint to a Smile" was held, which involves how to make a good impression on service mind, e.g., talking style, body language, manners and patience, to enhance the communication skills in support of the services and to understand customers or service users' needs, which gives rise to better services, lessens work problems, resulting in satisfactory performance, and fulfills the objectives to ensure the Expressway users' satisfaction and impression.

1.2.8 Toll Revenue Operation

The Company's personnel in charge of toll revenue operation are responsible to ensure that tolls are correctly, transparently and timely collected, in collaboration with the government sector, namely, the Expressway Authority of Thailand (EXAT), which has the duty to collect tolls from the Expressway users. The Company provides internal on the job training regarding the role and responsibilities of toll collection controllers, emphasizing that tolls must be collected timely, the counting of vehicles and collection records must be verified for accuracy. In addition, the condition of toll collection equipment must be checked to be ready for full-time service and to ensure the accuracy 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 a 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.

1.2.9 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 a 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. For staff responsible for this task, the Company provides training for new staff and recruits new graduates in the applicable fields and degrees, e.g., civil engineering, vocational certificates or high vocational certificates 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 skills 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 foremen and inspectors. After completion of the theoretical training, staff will be assigned to fieldwork operation, to be always accompanied by a 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 will be reviewed yearly. Moreover, the Company also adopts an individual development plan, particularly for 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 evaluations also take 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 compliance with the good corporate governance principles;
3. Focus on quality and safety in order to provide services to the 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 the Expressway users and EXAT, as the contractual party to the Concession Agreement of the Company;
5. Results-based management in order to identify key success indicators and set out achievable work plans.

1.3 Work and Life Balance

The Company is well aware of the significance of appropriate remuneration based on industrial benchmarking. The Company promotes a participatory work environment and teamwork as well as organizes the workplace on an occupational safety and health basis. For staff in the main line who works shifts of 24 hours, the Company provides bedrooms 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, as conducted by working groups at the department level and corporate level, as follows:

- 5S Activity started on 10 March 2000 on a clear, convenient, clean, sanitary and self-disciplined basis for the development of both work and life.
- Suggestion System started on 26 June 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 18 November 2000 on the P-D-C-A basis in order to develop a preventive workplace culture relating to misuse of data, facts and statistics to support 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, and the certifications have been renewed since the initial certification for ISO 9001 on 22 August 2001 and for ISO 14001 on 14 November 2008, respectively.

As a result of the Company's staff treatment as described above, staff have developed their engagement and loyalty to the organization, dedicated their creativity to work, efficiently pushed the organization forward, and readily delivered the best services to the Expressway users.

2. On the Path to Happiness

The Expressway users are the heart of the Company. 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 play a role in

developing Thai society. The Company appreciates innovations which will help minimize the 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 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 the time it was adopted. 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 plan without any protests from society and nearby communities. The Expressways are safe, meet standards and effectively respond to users' 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 effective strategic routes for sending aid 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 conditions, both during rush and non-rush hours, the Company is ready to deliver the Expressway services to allow users to reach their destinations safely and conveniently 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 the Expressway users. 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 a day. The traffic condition on the Expressways is 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 was 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 fuel for Expressway 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 set 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:
 - Low-risk areas are intersections and off-ramps in parallel to the 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 onto the at-grade road.
 - Medium-risk areas are V-shape roads.
 - High-risk areas are Y-shape roads, where cars are likely to fall off onto the at-grade road should an accident take place.

According to a study for accident prevention and reduction with a view to preventing cars from falling off onto the at-grade roads, 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 into the car that follows. The Company has thus made improvements in such risk areas by risk levels. 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, provided that these signs are equipped with flashing light to alert motorists ahead of time before reaching the risk area. Flashing lights are installed on top of the median of the diverge nose, which will be visible to motorists, and flexible guide posts are installed to help lessen impact and minimize car damage, with 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 cushions at every gore area to soften impact from accidents, installed cold plastic materials in red color to alert motorists of high-risk areas ahead in order to reduce speed, and painted road strips to prevent accidents on the Expressways.

The Company conducted further studies on impact of several factors on traffic and prepared traffic simulations 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 events which may be caused by terrorism or sabotage such as bombing and riot, including gathering of people for inciting public unrest, the Company requires all units to have emergency plans in response to any events which may suddenly occur and arranges for staff training to ensure that the staff in charge would be able to immediately take actions to resolve such emergency, as well as establishes 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 measures 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, and against Business Interruption, including Public Liability, on a yearly basis, in order to prevent any impact from possible damage.

In 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 a place safe from floodwater, construction of strong cement walls to prevent destructive water forces and guard against leaking which might cause damage to immovable significant equipment, stocking of spare parts to prevent subsequent shortages, 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 using its best efforts, together with insurance against such damage, the damage which occurred to the Subsidiary could be minimized.

Political unrest

From November 2014 until mid-2014, there were political rallies in various locations of Bangkok which caused congested at-grade traffic, including congestion at certain on-ramps and off-ramps of the Expressways nearby the political rally locations. In order to minimize such impact, the Company has arranged 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 the Songkran Festival and New Year's day, the Company, in association with EXAT, organizes safe travelling programs. 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 reduce accident rates.

2.4 Trader Treatment

Since the Company's business is a unique service which requires high investments for its operations, creditability can be built by the Company's fair treatment of its traders and financial sponsors, which is considered a key success factor to the Company's delivery of quality services to the Expressway users, 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 services, for the purpose of development and maintenance of sustainable relationship with traders, with the clear objectives in terms of quality of goods and services worth their value, technical standard and creditability. The Company therefore provides 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 at 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 secrets by any means in bad faith, such as, paying bribes to directors and staff of its competitors.
 9. Refraining from making serious accusations 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 a duty to maintain the Company's intellectual property works and may 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, must 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 takes account of 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 financial discipline, and should there be any event which may affect its compliance with contracts and obligations, the Company calls for a meeting for conclusion in a manner which will not affect the contracts and mutual obligations.

3. The Happy Society

The Company takes care of communities surrounding the Expressway routes to ensure that its business operations will not affect the quality of life and the environment. In doing so, the Company regularly surveys the communities and society nearby the rights of way according to plan. In this respect, the Company also sets out standard work procedures, including its requirement for equipment to prevent any impact or pollution to the nearby communities. In addition, the Company issues press releases to provide details and accepts complaints regarding various projects operated by the Company 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 the Expressway users, staff and communities;
- 2) Raising staff awareness and promoting the efficient use of energy and natural resources;
- 3) Complying with 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 an energy conservation workgroup with the objectives and scope of duties and responsibilities as follows:

1. Objectives

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

2. Duties and responsibilities

1. Conducting studies 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 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 environmental policy;
5. Monitoring the results of such activities according to plan;

6. Incorporating the accomplished guidelines as part of the routine operations and promoting 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 its 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, for which the Company was granted an outstanding award.

3.1 Business operations affecting the corporate social responsibility

In 2014, the Company and its Subsidiary operated their business in compliance with the laws and applicable rules and regulations without committing any offense or violation of the laws which may affect the Company's corporate social responsibility.

3.2 Corporate Social and Environmental Contribution Activities

The Company has a policy and is determined to continuously take care of every sector of society under the "BECL Elevates the Quality of Life and the Environment" concept in respect of management of improved operational results, and value added to shareholders, focusing on nearby communities as well as taking care of both nearby and remote society. In 2014, the Company organized the corporate social and environmental activities as follows:

1) Good Family Relationships

"Expressway Invites Moms & Kids to Strengthen Relationships with Love in Ang Thong"

On the occasion of 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 Ang Thong". A total of 44 Expressway users from 15 families were invited to visit the historical city and experience the lifestyle of villagers of Mueang Ang Thong, an important city since the Ayutthaya era, where glorious Buddhism religious places are located, such as, Wat Khun Inthapramun and Wat Tha Sutthawat; and taste delicious cuisine, guaranteed by Mae Choice Nang Ram chef. The Company also organized the "Painting Love for Mom" activity in which dads, moms, and children enjoyed painting dolls, as a special time 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, at Ban Bang Sadet Court Doll Center, a project in response to Queen Sirikit's initiative to create careers for people.

“Expressway Invites Dads & Kids to Strengthen Relationships with Visiting Farm, Khlong Suan 100-Year Old Market, in Chachoengsao”

The Company regularly holds activities to strengthen family relationships, and on the occasion of National Father’s Day, the Company organized the “Expressway Invites Dads & Kids to Strengthen Relationships with Visiting Farm, Khlong Suan 100-Year Old Market, in Chachoengsao” activity. A total of 41 Expressway users from 14 families were invited to visit the organic dairy buffalo farm and enjoy DIY activity: making pizza and Murrah buffalo milk ice cream. They also enjoyed and experienced the riverside way of life of villagers at Two-Province Market or “Khlong Suan 100-Year Old Market”. Moreover, the Company organized a “Hugging Dad & Saying I Love You to Your Dad” activity to strengthen the family relationships in a loving and warm atmosphere.

2) Awareness of Environmental Preservation**“Expressway Promotes Environmental Preservation No. 7”**

Environmental preservation is of great importance to everyone. The Company continued to organize a campaign for staff awareness of natural and environmental preservation under the activity titled “Expressway Promotes Environmental Preservation No. 7”. Groups of executives and staff, totaling three batches, participated in studying His Majesty the King’s royal activities in relation to development ideas and theories at the Chang Hua Man Project under the Royal Initiative of His Majesty the King, Amphoe Tha Yang, Phetchaburi Province.

3) 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 organized an activity entitled “Hearing the Dharma with Expressway”, in which a group of executives and staff participated in hearing the Dharma on the subjects of “Self-Conduct based on Dharma” by Phra Kru Dhammadhon Khanchit Khunwaro, Assistant Abbot of Wat Nyanavesakavan and “Dharma Conducive to Happiness” by Phra Panyanantamuni, Abbot of Wat Panyanantaram, Amphoe Khlong Luang, Pathum Thani Province, in order to properly apply such teaching to their current lifestyle and work environment.

“Blood Donation”

The Company took a major part in the “Give Blood Give Life” program, by organizing three blood donation activities, in association with The Thai Red Cross Society and Vajira Phayabal Hospital, on 14 May 2014, 14 August 2014 and 3 December 2014 at Bangkok Expressway Public Company Limited, with active participation of management and staff.

4) Good Relationships with Related Authorities

The cooperation for provision of good services to meet the utmost satisfaction of the Expressway users is regarded as a 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 organized activities, as follows:

“Good Relationships with EXAT”

The Company brought a group of 60 executives and staff of the Toll Collection Division of EXAT and the Toll Revenue Division of the Company to participate in an activity of planting trees to restore nature, as well as eco-cycling to see and enjoy the Sri Nakhon Khuean Khan Park and Botanical Garden, Khung Bangkachao, Samut Prakan Province, which was reserved as Bangkok's urban park in response to His Majesty the King's initiative, and regarded as a top-ranking oasis of Asia, to strengthen the good relationships between both agencies.

“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 “TARZAN 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 EXAT 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 granted cars and motorcycles to EXAT 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.

5) 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 continues to encourage and support youth education every year 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 for higher education.

“BECL Grants Scholarships to Adjacent Schools”

BECL organized the “BECL Grants Scholarships to Adjacent Schools” activity by granting scholarships to underprivileged students with good academic records, including funds for school development for educational purposes to 10 schools adjacent to the Si Rat Expressway and the Udon Ratthaya Expressway.

“BECL Grants Scholarships to Children of EXAT’s staff”

BECL, in association with the Expressway Authority of Thailand and the EXAT Club, granted scholarships to children of EXAT’s staff who are working on the Si Rat Expressway and the Udon Rattaya 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 the Expressway Police Station 2’s police officers, who collaborate with the Company in ensuring convenience and safety of the Expressway users.

“BECL Sponsors Library and Books for Hill Tribe Children”

The Company, in association with Toys For Thailand Foundation, which was founded to improve the quality of life of hill tribe people in Thailand, both realize the significance of arrangements to improve the quality and education in remote communities, dedicated a library and books, including educational aids and toys to students of Ban Pratu Mueang School, Amphoe Khun Yuam, Mae Hong Son Province, to encourage students’ reading and enlarge their learning exposures.

6) Support for Outdoor Learning Experience

The Company realizes that learning is not restricted only to classroom, and outdoor experience is an opportunity for children to personally and directly learn from experience. Such experience will 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:

“Audio Library for Young Blinds”

The Company acknowledges that reading will bring about sustainable knowledge. The Company supported and took part in the Audio Library for Young Blinds project, for the second year in a row, 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 disabilities, by means of audio book recording, which will be organized as an audio library for children. Management and staff of the Company volunteered to participate in such audio book recording.

“BECL Invites Smart Kids to Pursue Future Career”

The Company organized the National Children’s Day activity “BECL Invites Smart Kids to Pursue Future Career”. Children had a good time and enjoyed the on-stage activities which encouraged creative thinking about their dream careers, with participation by a number of children of the Company’s staff and children of the Expressway Police Station 2’s police officers, students from the adjacent schools, including neighbors.

BECL Invites Youths to Learn Thai Textile Weaving Crafts”

As Her Majesty Queen Sirikit has performed her royal duties, which are of benefit to Thai people, to support people to have occupations and earn sufficient income, and most importantly, to work in their hometowns and stay with their families instead of relocating to big cities, “The Foundation of the Promotion of Supplementary Occupations and Related Techniques of Her Majesty Queen Sirikit of Thailand” and the “Queen Sirikit Museum of Textiles” were then initiated to serve as education centers for the history of Thai garments and textiles, and concurrently serve as galleries for gathering and collecting Thai textiles and royal apparels. The Company took part in continuing such determination of Her Majesty the Queen, by organizing a “BECL Invites Youths to Learn Thai Textile Weaving Crafts” activity to promote youths’ learning of folk wisdom relating to textile handicrafts and youths’ awareness of Thai arts and culture. A group of 52 teachers and elementary students (grades 4-6) from Ban Chiang Rak Noi School adjacent to the right of way participated in a Revue of Queen Sirikit Museum of Textiles program, and enjoyed an exhibition of Her Majesty Queen Sirikit’s royal apparels at Queen Sirikit Museum of Textiles.

“BECL Invites Youths to Learn from Exhibitions at Museum Siam: Discovery Museum”

The Company jointly supports youths’ learning of Thai history and patriotic-awareness by organizing a program entitled “BECL Invites Youths to Learn from Exhibitions”, bringing a group of 57 teachers and elementary students (grade 5) from Wat Thassanaroon Soontarikaram School adjacent to the right of way to visit exhibitions on Thai history and Thai culture in various styles at Museum Siam: Discovery Museum.

7) Support for Other Social Activities**“BECL Supports “Lankilaphat” Project under H.M. the King’s Initiative”**

As His Majesty the King and Her Majesty the Queen have always expressed a concern for the well-being of their people in all aspects, by giving priority to development of personnel and communities to ensure their people are in better physical and mental health, the Office of H.M. Principal Private Secretary, in its capacity as secretary to His Majesty the King and the royal family members, one of whose missions is to be committed to performing works under the royal initiative in respect of improvement of the quality of people’s life, and in response to this royal initiative, initiated a project for construction of people’s playgrounds named “Lankilaphat”, literally meaning a “Sport Field for Growth”, to promote a variety of recreational activities, sports, community development, and other social and public activities, focusing on sustainable quality of life of people and communities, to carry on such royal initiative.

The Company took part in fulfilling such royal initiative by sponsoring and serving as member of the administration committee and subcommittee of the “Lankilaphat” project, starting with two pilot projects, namely, Lankilaphat 1 in Khlong Chan Housing Community, Bang Kapi District,

and Lankilaphat 2 under the Urupong Expressway, Ratchathewi District. There will be sport fields and recreational areas for villagers and nearby communities once construction is completed.

“Singing with BECL”

The Company organized volunteer activities by its music club and staff through music jam, as well as recreational activities and lunch meals for Ban Bang Khae Social Welfare Development Center for Older Persons. The elderly had a good time and enjoyed the activities, and the BECL family expressed love, care and shared happy moments with those elderly in a lovely and warm atmosphere. This Singing with BECL was organized by the Company’s sponsored music club for the fourth year in a row.

“Granting Parts and Equipment from Expressway to Prostheses Foundation”

The 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. The Company continued to support such foundation for the second year by making a donation and granting functional and used aluminum expressway parts and equipment to the Prostheses Foundation of H.R.H. the Princess Mother.

Anti-Corruption Policy

The Company sets out measures, based on both disciplinary and legal actions, against corruption. The fact-finding must 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 embezzlement, legal action will be undertaken to protect the Company’s interests. Guidelines under this policy are as follows:

1. No business dealings may be entered into with any organization or unit which is involved in corruption.
2. Disciplinary and legal actions will be imposed and instituted against such staff who are involved in 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 must 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 payments or acceptance of bribery, including any actions contrary to morality and customary practices, which are 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 has 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 a 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 must 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, using both physical and psychological approaches, to develop a positive attitude. The Company believes that decency emanates from inside out, so it regularly organized the “Hearing the Dharma with Expressway” throughout 2014. In preparation for the application for certification of membership in Thailand’s Private Sector Collective Action Coalition Against Corruption, the Company had various departments conduct a self-assessment to identify potential improvements in compliance with the anti-corruption measures in Thailand’s Private Sector Collective Action Coalition Against Corruption. Moreover, the Company assigned two representatives, who are responsible for the corporate governance and the internal audit, to attend the Anti-Corruption: The Practical Guide (ACPG 15) course, organized by the Institute of Directors Association (IOD).
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 treats misconduct relating to fraud and corruption as serious disciplinary misconduct, and any violation is subject to severe disciplinary action 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 interest or for the interest of others;
 - (4) Acceptance of undue consideration in relation to assigned tasks;
 - (5) Showing 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 good and effective internal control system, including its good corporate governance guidelines. It believes that a good internal control system is founded on a good performance process, organization chart and work system, which could help achieve goal or mission with efficiency and effectiveness, as well as minimize risk and prevent possible damage in the Company's business operations. The Board of Directors has thus authorized the Audit Committee comprising independent directors to audit the evaluation of the effectiveness of the internal control system. The Internal Audit Office, which independently performs its duty and directly reports to the Audit Committee, audits 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 2014, 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 2014 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. This is to ensure proper and timely response to various challenges, as well as to provide training for executives and staff about the risk management guidelines for their understanding and engagement in the firmwide 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 3-11.

To ensure an efficient risk management, the Company has provided training for executives and staff at all levels to realize and understand the purposes and objectives of the risk management and to create value added for the organization with sustainability. The training comprises two programs, namely, the new trend of risk management and workshop; and the development of corporate risk management plan. Such training is intended to provide the understanding of risks, risk management concepts, risk management, risk assessment and monitoring, and risk management workshop for all units.

- 11.3 In the Board of Directors' Meeting No. 1/2015 which was held on 17 February 2015, 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 has knowledge, abilities and work experience and is qualified to efficiently and adequately 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. (The details are described in Attachment 3 on pages A3-1 to A3-2.)

The Head of the Compliance Unit is Mrs. Ngamnit Kanokgarnjanar, Deputy Managing Director: Administration, who shall be responsible for compliance matters in cooperation with Managing Director Office, and with close coordination with the Company Secretary. (The details are described in Attachment 3 on pages A3-3 to A3-4).

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 specializes in accounting and finance, General Sampao Choosri and Dr. Annop Tanlamai, with the General Manager of Internal Audit Office as secretary.

The Audit Committee has performed its duties within the scope, duties and responsibilities as assigned by the Board of Directors which are in line with the requirements of the Stock Exchange of Thailand. In 2014, 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 the essence in the preparation of the financial statements and the annual audit plan.

The key performance of duties of the Audit Committee in the year 2014 may be summarized as follows:

1. **Review of Financial Report:** The Audit Committee has reviewed the 2014 annual and quarterly financial statements of the Company and its Subsidiary, 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 shareholders or information users for making an investment decision.
2. **Review of Effectiveness 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 of the internal controls, 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, and realizing the significance of the internal control of the information system, as examined and monitored by both internal auditors and the auditor.
3. **Supervision of Internal Audit:** The Audit Committee has reviewed and approved the annual internal audit plan and scope of work, considered the audit report, monitored the corrections under the audit report, and provided suggestions in the improvement regarding the audit performance, to ensure appropriate and effective audit system, as well as considered internal auditor development plan to keep pace with changes in business, along with ongoing self-improvement in the direction of the organization's business operations and the international standards.
4. **Review of Good Corporate Governance:** 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 obligations which may arise from agreements executed with third parties, and found that the Company has duly and properly complied with the relevant laws and requirements in a timely manner.

5. **Consideration of Connected Transactions:** The Audit Committee has reviewed and provided opinions on connected transactions or transactions which might give rise to conflicts of interest to be in compliance with the applicable laws and requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand to ensure transparency, justifications, and maximum benefits to the Company's business operations.
6. **Consideration for Appointment of the Auditor and Auditing Fee:** The Audit Committee has the duties to nominate, re-elect, and terminate the engagement of the auditor. It 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 EY Office Limited is independent, and has knowledge and experience regarding the audit, provision of advice on the accounting standards, certification of the financial statements in a timely manner, and has concluded 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 EY Office Limited as the auditor for 2015, with the remuneration in an amount not exceeding Baht 1,130,000 per year.
7. **Preparation for Participation in Private Sector Collective Action Coalition Against Corruption:** The Audit Committee has assigned the Management and the Internal Audit Office to conduct a study in detail and to prepare a self-evaluation in accordance with the self-evaluation form regarding anti-corruption measures, and assigned the responsible persons to receive training in Anti-Corruption: The Practical Guide program, as organized by Thai Institute of Directors Association, to ensure readiness in the participation in such program.

In summary, the Audit Committee has fully performed its duties as specified in the Audit Committee's Charter as approved by the Board of Directors, by using sufficient knowledge, abilities, prudence and independence in providing opinions and suggestions for the fair benefit of all interested parties. It is of the view that the Company's report on financial information and operations is correct in compliance with the generally accepted accounting standards and the financial reporting standards, that the risk management is sufficient, with effective and proper internal control system and internal audit, and that the business operations comply with the good corporate governance principles, as well as comply 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 2014 and 2013

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

- Relationship :**
- This company is the major shareholder of the Company representing 15.15 percent of the paid-up capital as at 11 September 2014.
 - 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 | |
|--|---|--|
| Transaction Value (Baht) | Consolidated Financial Statements as at 31 December 2014 | Consolidated Financial Statements as at 31 December 2013 |
| Advance Payment | 1,235,250,000 | 2,031,750,000 |
| Project Management Fee | 7,650,000,000 | 2,497,500,000 |
| Transaction Description | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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 2014 | Consolidated Financial Statements as at 31 December 2013 |
| Transaction Value (Baht) | - | 51,315,184 |
| Transaction Description | <ul style="list-style-type: none"> 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 | <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. | |

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

| Transaction | Details | |
|--|---|--|
| | Consolidated Financial Statements as at 31 December 2014 | Consolidated Financial Statements as at 31 December 2013 |
| Transaction Value (Baht) | 55,005,476 | 15,544,581 |
| Transaction Description | <ul style="list-style-type: none"> 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. The Company issued the Notice of Variation in a total amount of Baht 3,311,532. | |
| 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. | |

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

| Transaction | Details | |
|--|---|--|
| | Consolidated Financial Statements as at 31 December 2014 | Consolidated Financial Statements as at 31 December 2013 |
| Transaction Value (Baht) | 12,126,349 | - |
| Transaction Description | <ul style="list-style-type: none"> On 1 September 2014, 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 3, in the total value of Baht 26,771,325 with a contract term of 10 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. | |

Transactions with the Subsidiary

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 2014 | Consolidated Financial Statements as at 31 December 2013 |
| 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 2014 | Consolidated Financial Statements as at 31 December 2013 |
| Transaction Value (Baht) | 120,000 | 120,000 |
| Transaction Description | - 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 | - 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 : CK Power Public Company Limited May Have Conflict of Interest

- Relationship** :
- The Company holds shares in CK Power Public Company Limited representing 19.40 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 as at 11 September 2014, CH. Karnchang Public Company Limited holds shares in the Company representing 15.15 percent of the paid-up capital and holds shares in CK Power Public Company Limited representing 31.78 percent of its registered capital.
 - Mr. Plew Trivisvavet serves as Chairman of the Executive Board of the Company and Chairman of the Executive Board of CK Power Public Company Limited.
 - Mr. Supong Chayutsahakit serves as Vice Chairman of the Executive Board of the Company and a director of CK Power Public Company Limited.

Transactions with the Company

2.1 Provision of the Financial Support in the Form of Cash Deficiency Support (CDS)

| Transaction | Details | |
|--|--|--|
| | Consolidated Financial Statements as at 31 December 2014 | Consolidated Financial Statements as at 31 December 2013 |
| Transaction Value (Baht) | - | - |
| Transaction Description | <ul style="list-style-type: none"> - The Company has provided the financial support by way of guarantee to CK Power Public Company Limited, whereby the Company agrees to provide the financial support in case any subsidiary of CK Power Public Company Limited is unable to comply with the conditions of the loan, including any default on payment with the lending bank of such subsidiary, according to the shareholding proportion in an amount not exceeding Baht 154 Million. | |
| 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 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 11 September 2014 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

3.1 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 2014 | Consolidated Financial Statements as at 31 December 2013 |
| Transaction Value (Baht) | 90,684,233 | 167,059,526 |
| 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. The Company issued the Notice of Variation in a total amount of Baht 3,743,759. | |
| 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. | |