

## Reports of Subcommittees

### **Report of the Audit Committee**

The Audit Committee of Bangkok Expressway and Metro Public Company Limited, as appointed by the Board of Directors, comprises three independent directors, namely, Mr. Vitoon Tejatussanasoontorn, as Chairman of the Audit Committee, General Chetta Thanajaro, and Dr. Annop Tanlamai, as Audit Committee Members. The Chairman of the Audit Committee and Dr. Annop Tanlamai specialize in accounting and finance, and the General Manager of Internal Audit Office serves as secretary to the Audit Committee.

The Audit Committee has performed its duties within the scope, duties and responsibilities as assigned by the Board of Directors in line with the requirements of the Stock Exchange of Thailand, together with the suggestions on various related matters. In 2019, the Audit Committee held four meetings for discussion and sharing of opinions with the management and internal auditor, and two meetings with the auditor without the management's presence, for discussion on the essence of the audit plan, significant accounting matters, and accounting standards to be applicable, along with independence in performance of duties and expression of opinions of the auditor.

The key performance of duties of the Audit Committee can be summarized as follows:

1. **Review of Financial Report:** The Audit Committee reviewed the quarterly financial statements and the financial statements for 2019 of the Company and its subsidiaries, including changes in the accounting policy, significant accounting adjustments, and correct and complete disclosure of information, by receiving clarifications from the auditor, management, and internal auditor to its satisfaction 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 users of the financial statements, and therefore approved such financial statements, as audited and reviewed by the auditor, representing a report on an unqualified opinion.
2. **Review of Internal Control System:** The Audit Committee reviewed the assessment results of the internal control in respect of the operating system and the IT system by using the Internal Control Adequacy Evaluation Form under the practice guidelines as specified by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to ensure the efficient and effective performance in all work units in order to meet the specified objectives and targets, compliance with various laws and requirements, and adequate ability to control and prevent corruption. The Internal Audit Office independently reviewed and evaluated the sufficiency of the internal control, as well as reporting directly to the Audit Committee, by taking into consideration the operations, resource utilization, property management, risk prevention and minimization, and reliability of the financial report.
3. **Supervision of Internal Audit:** The Audit Committee reviewed the Internal Audit Unit to ensure its independence, with a duty to report directly to the Audit Committee, by approving the annual internal audit plan, and reviewed the operations as per the approved work plan, considered issues as a result of the audit and useful suggestions in order to enhance the efficiency of the internal audit system, and regularly followed up the operational results under the suggestions, as well as approved the consideration for appointment, transfer, termination of employment of the Head of the Internal Audit Unit.
4. **Review of Good Corporate Governance:** The Audit Committee reviewed the Company's operations to ensure that its business operations was carried out under the corporate governance principles 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 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. **Review and Provision of Opinions on Connected Transactions or Transactions which might give rise to conflicts of interest, including Disclosure of Information on such Transactions:** The Audit Committee reviewed and provided opinions on execution of connected transactions or transactions which might give rise to conflicts of interest in compliance with the applicable laws and requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and found that the Company executed such transactions with transparency, justification, and benefit to the Company's business operations and shareholders as a whole, together with correct and complete disclosure of information in a timely manner.

**6. Consideration for Selection, Nomination of the Auditor and Annual Remuneration for the Auditor:**

The Audit Committee had the duties to consider selecting, nominating, re-electing, or terminating the engagement of the auditor, and consider the remuneration for the auditor, by taking into account the auditor's independence, knowledge, capability, experience, previous audit performance, reasonableness of the auditing fee, and was of the view that the auditor from EY Office Limited was independent, knowledgeable, capable and experienced regarding the audit, provision of advice on the accounting standards, certification of the financial statements in a timely manner, and that the auditing fee was reasonable. Therefore, it resolved to propose the matter to the Board of Directors to consider and seek approval from the meeting of shareholders for appointment of the auditor from EY Office Limited as the Company's auditor for 2020, with the remuneration in an amount not exceeding Baht 4,240,000 per year.

In summary, the Audit Committee independently performed its duties under the responsibilities as assigned by the Board of Directors, by applying various fields of knowledge and abilities in response to the business operations with due care, prudence, independence in line with those as specified in the Audit Committee Charter as approved by the Board of Directors, in providing opinions and suggestions for the fair benefit of all interested parties. It was of the view that the Company's report on financial information and operations was correct in compliance with the generally accepted accounting standards and the financial reporting standards, that the risk management was sufficient, with effective and proper internal control system and internal audit, and operations in accordance with the good corporate governance principles, as well as compliance with applicable laws, rules and requirements relating to the business operations in all respects.

(Mr. Vitoon Tejatussanasoontorn)

Chairman of the Audit Committee

### **Report of the Nomination and Remuneration Committee**

The Board of Directors of Bangkok Expressway and Metro Public Company Limited appointed the Nomination and Remuneration Committee by having General Chetta Thanajaro as Chairman of the Nomination and Remuneration Committee, Mr. Plew Trivisvavet, Mr. Vitoon Tejatussanasoontorn and Mr. Supong Chayutsahakij as Nomination and Remuneration Committee Members, with the duties to nominate and consider remuneration for directors and Managing Directors to ensure transparency and fairness.

In 2019, there were two Nomination and Remuneration Committee's Meetings to consider various matters. The essence of the performance of duties can be summarized as follows:

1. Considering and selecting qualified persons to hold the position of the Company's directors in accordance with the Company's criteria and procedures for nomination by nominating persons to be appointed as directors to replace those directors who retire by rotation in the ordinary general meeting of shareholders.

The Board of Directors considered the qualifications and roles in the previous year's performance of duties of five directors who retired by rotation and proposed the 2019 Annual Ordinary General Meeting of Shareholders to re-appoint them for another term, and also considered qualifications of a person having knowledge, ability and experience which would be beneficial to the Company, and having qualifications in line with those of directors in listed companies, to be nominated as a director to replace the directors who retired by rotation.

2. Reviewing criteria on consideration and determination of remuneration for directors for 2019

The Board of Directors considered reviewing the criteria on consideration of remuneration for directors and was of the opinion that it were determined as appropriate and in line with the scope of duties and responsibilities of each director; remuneration stayed at the same rate as that of the same industry to attract and retain knowledgeable and qualified directors to perform duties for the Company; elements of remuneration were clear, transparent, and easy-to-understand, by proposing the remuneration for directors for 2019 to the shareholders' meeting for consideration and approval.

3. Reviewing criteria for consideration and determination of remuneration for Managing Directors

The Board of Directors considered reviewing the criteria for consideration of remuneration for Managing Directors to stay at the rate which remained attractive to them in the long run, appropriate for the scope of duties and responsibilities of Managing Directors; and also considered determining remuneration for Managing Directors from the results of performance assessment of Managing Directors, together with the Company's operational results, by proposing the same to the Board of Directors' Meeting for consideration and approval.

In conclusion, the Nomination and Remuneration Committee has fulfilled their duties as specified in the Nomination and Remuneration Committee's Charter which has been approved by the Board of Directors, by employing their knowledge, ability with due care and independence as sufficient to provide the opinions and suggestions for the overall benefits of the Company.

General Chetta Thanajaro  
Chairman of the Nomination and Remuneration Committee

## Report of the Corporate Governance and Risk Management Committee

The Board of Directors of Bangkok Expressway and Metro Public Company Limited has realized the significance of compliance with the good corporate governance principles and risk management whereby the Board of Directors appointed the Corporate Governance and Risk Management Committee, comprising Mrs. Vallapa Assakul as Chairman of the Corporate Governance and Risk Management Committee, Mr. Phongsarit Tantisuvanitchkul, Dr. Sombat Kitjalaksana and Mrs. Payao Marittanaporn as Corporate Governance and Risk Management Committee Members, with the duties to formulate policies and directions of operations in respect of the good corporate governance of the Company to ensure performance of duties with transparency and independence in compliance with the guidelines for the good corporate governance, consider risk management plan, risk management process, as well as monitoring, inspecting and reviewing the Company's overall risks to stay at an acceptable level.

The Corporate Governance and Risk Management Committee has performed its duties as assigned by the Board of Directors, and in 2019, convened its four meetings with the high-ranking management team to consider reviewing policies and follow up progress of compliance with the good corporate governance principles and risk management plan of the Company. The key performance of duties can be summarized as follows:

### 1. Monitoring to ensure the Company's compliance with the good corporate governance principles

The Board of Directors followed up and reviewed the practical guidelines for the good corporate governance by proposing the Board of Directors' Meeting to consider the appropriateness in adopting it as guidelines for the Company's operations. In this regard, the Board of Directors considered reviewing and improving the good corporate governance policy relating to shareholders' rights; treatment towards shareholders and stakeholders; disclosure of information; and the Board of Directors' responsibility in line with the requirements of the Stock Exchange of Thailand. In 2019, the results of the Company's corporate governance survey were shown at the very good level; the results of assessment of the Annual Ordinary General Meeting of Shareholders were shown at the excellent level; and the Company was selected as one of 98 listed companies on the Thailand Sustainability Investment for the third consecutive year; not to mention the fact that the Company was selected as one of 30 listed companies in SET Well-being (SETWB) Index which reflected the performance of securities in Thailand with high competitiveness and in which foreign investors remained interested, all of which were instrumental in the nation's gross domestic product growth or GDP growth, generating income to the people in the country and raising the quality of life for Thai people.

### 2. Risk management

The Board of Directors, in association with the high-ranking management, considered compliance with the annual risk management plan, reviewed and followed up the risk management on a regular basis as well as following up movement, tendency for review of plan and strategies to manage risks to stay at the acceptable level in an appropriate and timely manner for the ongoing changing situations and consistent with the Company's work plan. In 2019, there were the significant changes in risks from construction and operation of the projects; the Company was able to open the MRT Blue Line Project, Hua Lamphong-Bang Khae Section, for service in September 2019 and Tao Poon-Tha Phra Section for trial runs in December 2019.

In conclusion, the Corporate Governance and Risk Management Committee is certain that the Company has complied with the good corporate governance principles and guidelines, has continuously and efficiently conducted risk management, as well as making prudent emergency response preparedness in advance for enabling the Company to carry out operations uninterruptedly to ensure the sustainable existence.

(Mrs. Vallapa Assakul)

Chairman of the Corporate Governance and Risk Management Committee