

► Good Corporate Governance

The Company recognizes its role, duty and responsibility in practicing good corporate governance and believes that corporate governance determines the structure of the relationships among the shareholders, the Board of Directors, management and all stakeholders. The aim of good corporate governance is to increase competitive edge and value for shareholders in the long term, as well as increase the benefits to the other stakeholders, which will ensure the Company's continuous and sustainable growth.

The Board of Directors plays many significant roles; one of those roles is to ensure good corporate governance as assigned to the President and management, which will comply with corporate governance policies approved by the Board of Directors and the guidelines set by the Stock Exchange of Thailand. The Company stays abreast of any new regulations that have been put into practice and adjusts the Company's practices to comply with such regulations. In the past year, the Board of Directors had approved the policy on information disclosure, the policy on using insider information, and the policy on anti-corruption. These policies are part of good corporate governance and have been announced to those related to the issues for further appropriate action.

1. Corporate Governance Policy

The Board of Directors is responsible to every shareholder and endeavors to understand the needs of shareholders, as well as assess economic, social, environmental and ethical factors which may significantly impact the interests of shareholders. Each Director must possess honesty, determination, as well as independence of thought and decision making. In addition, the Board of Directors must also be aware of the interests of the other stakeholders.

The corporate governance policy recognizes the special role that the Board of Directors plays in connecting the shareholders with the President, as well as management. Furthermore, the policy clearly covers the dual role of the President and other directors who are both members of the Board and members of executive management.

Since 2008, the Board of Directors has reviewed and revised the current corporate governance policy and made many changes to meet international standards. The Board of Directors has emphasized good corporate governance through integration of policy and business direction, sufficient internal controls and auditing, as well as ensuring that management act efficiently under the established policies so as to ascertain that the Company is transparent, ethical and abides by the governing laws and regulations.

The Board of Directors has entrusted the Audit Committee to draft the internal audit scheme to ensure that the organization complies with all policies, including the regular monitoring, review and revision of policies. This is to assure that the Company's corporate governance policy is up-to-date and suits the present situation.

The Corporate Governance Policy covers the following topics:

1. Shareholders' Rights
2. Equal treatment of shareholders
3. Policy on stakeholders' interests
4. Disclosure and transparency
5. Responsibility of the Board of Directors and sub-committees

Rights and equal treatment of shareholders

1. Rights and Equality

The Company is responsible to shareholders in disclosure of information, preparation of financial statements, utilization of insider information and resolution of conflicts of interest. Management must possess ethics and any decisions made must be made with honesty and integrity, as well as be fair to major and minor shareholders for the benefit of the stakeholders.

The Company is aware of its responsibility in assigning importance to rights without bias and with equal treatment of all shareholders. It is the Company's duty to protect the rights and interests of the shareholders, including the right to receive dividends and the right to receive relevant information regularly and in a timely fashion. Moreover,

the Company has the duty to disclose information with transparency and show responsibility of management by holding the Shareholders' Meetings.

The Company has the policy to support disclosure of information and business transactions so that the shareholders may better understand the Company's operations. Major and minor shareholders, institutional investors and foreign investors equally receive information on business operations, management policy and the financial statements of the Company and have the right to be treated fairly.

At each Shareholders' Meeting, the Company will distribute the letter of invitation including details of each meeting agenda, supporting information, as well as opinion of the Board of Directors on each agenda and other documents so that the shareholders may be well informed when making the decision to vote. In order to provide greater convenience and ensure that every shareholder shall receive clear, sufficient information, as well as have enough time to consider the agendas, the Company publishes the letter of invitation to the Shareholders' Meeting including supporting documents for each agenda as well as other related documents, such as a list of identification documents needed to attend the meeting, how to appoint proxy, registration, proxy form, map of meeting location, in both Thai and English on the SET Portal, administered by the Stock Exchange of Thailand as well as on the Company's website 30 days in advance of the meeting date. The documents are sent to the shareholders 10 days in advance of the meeting date for general agendas, which is in advance of the number of days required by law, and at least 14 days in advance for approval of connected transactions or special resolutions.

To provide convenience to those shareholders who are unable to attend the meeting, shareholders may appoint proxies to attend the meeting and vote on their behalf. The Company has prepared the detailed proxy form (Proxy Form B), which is sent with the meeting invitation and includes a list of identification documents needed to attend the meeting, how to appoint proxy and registration form. Shareholders may also download the proxy form from the Company's website. In addition, to provide another channel in exercising shareholders' rights, the Company suggests that in the case that the shareholder cannot attend a particular meeting, the shareholder should appoint an Independent Director of the Company as proxy to attend the meeting and vote on the shareholder's behalf. To this end, the Company has provided information on the Independent Director, whom the Company proposes to act as proxy for the shareholders, with the meeting invitation so that shareholders may consider to appoint the Independent Director as proxy to attend the meeting and vote on the shareholders' behalf should the shareholders' be unable to attend the meeting in person.

The Company has a policy to give shareholders the opportunity to submit questions and to propose agendas for the Annual Shareholders' Meeting, as well as to nominate qualified and capable persons as directors to the Board of Directors prior to the meeting. The Company gives opportunity for shareholders to propose agendas and nominate directors in advance for a period of 45 days and interested shareholders can access information on guidelines and conditions in proposing agendas and nominees on the Company's website. In the case that the Board of Directors has considered that the proposed agenda is suitable, constructive and beneficial to the Company, the Board of Directors will include such agenda in the meeting proceedings for consideration of the shareholders. However, if the Board of Directors is of the opinion that such agenda is not suitable, the Board of Directors shall report this to the Shareholders' Meeting and provide reasons as to why that agenda was not included in the proceedings. In 2016, the Company provided the opportunity for shareholders to propose agendas for the annual general meeting as well as to nominate qualified and capable persons as directors to the Board of Directors prior to the meeting between 3rd December 2015 to 16th January 2016.

During the Shareholders' Meeting, each shareholder has equal rights to independently express their opinions and pose questions within the appropriate time frame. The process of voting and counting votes is carried out swiftly with full disclosure. Each shareholder has the right to vote equal to the number of shares held. Each share has one vote and no shareholder has special rights above any other shareholder. One share equals one vote and the majority vote decides the outcome (for general agendas for which the law does not specify otherwise).

The Company shall gather details of the results of the voting in each agenda and will announce the results to the meeting after the voting of each agenda. Or, in the case that an agenda requires more time in counting the votes, the Chairman of the meeting may request that the meeting consider other agendas while the votes are being counted so as the meeting may continue. Once the staff has inspected the results, they will be immediately announced to the meeting. The results of the voting are recorded in the minutes of the meeting. For each agenda, number of “for”, “against” and “abstain” votes are recorded, as well as the questions raised, explanations and opinions of the meeting so that shareholders may later verify the information.

In the case that any shareholder has a special stake in any of the agendas, the shareholder is not allowed to vote on that agenda with the exception of voting for appointment or removal of directors.

2. Shareholders’ Meetings

The Company’s policy is to convene the Shareholders’ Meeting as prescribed by law and give shareholders the opportunity to be fully informed before exercising their rights. To this end, the Company has held the annual general shareholders meeting within four months from the end of the accounting year. The meetings are held in compliance with the laws and regulations of the Stock Exchange of Thailand from announcement of the meeting and organization of the meeting to after the meeting.

Shareholders with total shares no less than one fifth (1/5) of shares outstanding or shareholders no less than 25 persons whose total shares is no less than one tenth (1/10) of shares outstanding, may petition the Board of Directors to hold an extraordinary meeting of the Company’s shareholders as stated in the company rules and regulations. The petition must clearly state the reason for convening the extraordinary meeting. The Board of Directors must convene the Extraordinary Shareholders’ Meeting within one month from the day the petition is received. Details of the proceedings of shareholders’ meetings are as follows:

• Prior to Meetings

The Company has sent letters of notification by registered mail no less than 10 days in advance for general matters, which is a higher standard than the law requires, and at least 14 days in advance in the case approval is needed for connected transactions or special matters. The notification of the meeting is published in at least one daily Thai language newspaper and one daily English language newspaper for three consecutive days prior to the meeting date.

The Company has announced the shareholders’ meeting and accompanying documents both in Thai and English on the Company’s website (<http://www.bangkokhospital.com>) under the menu item “Investor Relations” as an additional mode of dispensing information to ensure shareholder equality. Moreover, the Company has posted the meeting invitation in both Thai and English on the Company’s website 30 days prior to the meeting date.

The meeting invitation shall include details of the meeting, such as time and place for the meeting, meeting agenda as well as opinions of the Board of Directors on each agenda and accompanying documents for informed decision making (if any), the Company’s annual report, proxy form and a list of accompanying documents of the meeting. Additionally, the Company has delivered details on the meeting proceedings and appointment of proxy, including suggesting that the shareholder appoint an independent director to act as proxy. This is to assist the shareholders in making informed decisions when exercising their rights and voting.

For the convenience of the shareholders, the Company provides registration at the meeting using bar codes and has prepared separate ballots for each agenda, especially for the selection of directors, whereby the Company has prepared ballots for the voting of individual directors. Shareholders and/or proxies shall receive the ballots at the registration stage.

• During Meetings

The Company has assigned the Chairman of the meeting the duty of notifying and explaining the voting procedures in the various agendas before the meeting is officially convened. The President is assigned the task of responding to questions from the shareholders. After each agenda, the results of the vote will be announced and duly recorded.

For the convenience of the shareholders and for clarity, the Company uses multimedia facilities in presenting information and voting results after each agenda during the meeting. The Company has the policy to strictly adhere to the meeting agenda and to allow shareholders equal opportunity in casting votes.

To honor the rights of all shareholders, the Company has put in place a policy, which requires that all directors, as well as sub-committees, the auditor and executive management such as Chief Financial Officer, Assistant Chief Financial Officer, and Financial Director (Investor Relations), attend each shareholders' meeting. If any director or executive cannot attend the shareholders' meeting, he/she must submit a written explanation of the absence to the Chairman of the Board (in the case of directors) or the President (in the case of executive management).

The Chairman of the meeting has provided sufficient opportunity for shareholders to raise questions and make suggestions on business operations, and the annual financial reports without infringing shareholders' rights. The Chairman of the Board and the President will clarify all information during the meeting and give all directors the opportunity to unofficially meet the shareholders after each meeting.

• After Meetings

The Company has prepared the minutes of the meeting as well as recorded the results of the voting. For each agenda, number of "for", "against" and "abstain" votes are recorded, as well as the questions raised, explanations and opinions of the meeting are detailed in the minutes. The minutes of the shareholders' meeting are submitted to the Stock Exchange of Thailand within the prescribed 14 days after the meeting. The Company has the policy to announce the minutes of the shareholders' meeting on the company website (<http://www.bangkokhospital.com>) under the menu item "Investor Relations" in a timely fashion so shareholders and investors may be informed and may verify the information.

Policy on Equitable Treatment of Stakeholders

The Company recognizes the significance of each group of stakeholders, whether they are internal personnel or external stakeholders such as shareholders, customers, creditors, counter-parties, communities, government agencies and other related organizations. The Company also recognizes that the support of each of the stakeholders will ensure the stability and longevity of the organization in the long term.

Therefore, the Company has the policy to protect the rights of the stakeholders through compliance with relevant laws and regulations, as well as respecting the interests of all related parties. The policies are as follows:

1. Policy on Transactions which may cause Conflict of Interest and Transactions between Companies

The Board of Directors understands that transactions which may lead to conflicts of interest and/or transactions with related counter-parties must be thoroughly contemplated to ensure compliance with the relevant laws and regulations of the Securities and Stock Exchange Commission and the Capital Market Committee, as well as the Company's internal guidelines. Moreover, such transactions must be strictly carried out as with any other transactions with external parties which have no relationship with the Company. Also, the transactions must fully provide value to the Company and the shareholders. The terms and conditions of the transactions must follow the generally accepted standard terms and conditions of business transactions.

The Company has the policy to prevent directors, management and employees from using their status for their own personal gain. Directors, management and employees must refrain from engaging in transactions which have conflict of interest with the Company. Furthermore, any directors, management or employees who have a stake in any transactions shall not be allowed to participate in the decision making process. Directors, especially, will not be allowed to consider or vote on any matters in which they have an interest, including transactions between companies and transactions between subsidiaries and stakeholders.

2. Policy on Shareholders

The Company aims to achieve the utmost benefits in the long term for the shareholders through stable growth and sustainable capability in generating profits, including maintaining the competitive edge by recognizing the current and future business risks. The Company emphasizes business for consistent profits through continuous business development. Moreover, the Company strives on professional management, efficient internal control, systematic audit and strong risk management to reciprocate and show responsibility to our shareholders.

Other than fundamental rights of the shareholders such as the right to inspect number of shares, right to receive share certificate, right to attend shareholders' meetings and to vote, right to freely express opinions and make suggestions on the Company operations at the shareholders' meetings, right to fairly receive returns, and other lawful rights, the Company also has the policy to disclose information justly, with transparency and in a timely fashion within any business restrictions so that every shareholder equally receives information.

3. Policy on Employees

Employees are a valuable asset to the Company. Capable and experienced employees are consistently well cared for in compliance with the Company's strategy and operational plans. The Company also ensures equal opportunity and suitable compensation. Furthermore, the Company has arranged for the necessary training by both internal and external persons in order to continuously enhance the skills of employees. Moreover, the Company supports and promotes the healthy working environment and organizational culture, and treats employees equally and justly. Employees are given the opportunity to express their opinions and make suggestions to management via the Company's internal website.

Furthermore, employees are provided with benefits and safety which include medical benefits, provident fund, and academic scholarships for doctors, nurses and employees so that they may use the knowledge to assist in the development of the organization. The aim is for the Company to be a place of learning for personnel, as well as to motivate knowledgeable and capable persons to remain with the organization in the long-term. The Company has put in place guidelines in human resources management from recruitment and training to maintaining quality personnel as follows:

• Recruitment and Career Advancement

The Company recognizes the importance of personnel development from the recruitment process onwards. To this end, the Company clearly defines the level of education, experience, expertise and other qualifications of each position in order to recruit the most suitable candidates. In recruiting for a particular position, the Company shall give priority to internal staff in order to provide an opportunity for career advancement. If there are no suitable internal candidates, the Company shall then consider external candidates. Each new employee is required to attend orientation in order to be informed about the working process of the various departments within the organization. This will enable employees to plan and act according to the objectives set. The Company also gives importance to career advancement of employees in order to retain outstanding employees.

• Employee Training

The Company has the policy to support training and development of personnel. In order to regularly and continuously develop and improve employees' skills, the Company organizes both internal and external training sessions. Apart from training on work skills organized internally, the Company also encourages employees to exchange knowledge and experience among the various departments, be it through meetings or information exchange through the intranet. For external training, the Company encourages employees to fill out questionnaires on training desired and will send them to attend those training sessions as appropriate. The Company shall monitor results or measure the knowledge gained in each training course for the greater benefit of the Company and the employees.

- **Employee Evaluation**

The Company evaluates the employees' knowledge and skill by clearly and justly specifying the guidelines in evaluating employees at all levels. The employees shall be evaluated based on their capabilities and potential in terms of skill, knowledge, attributes and performance. The Company has widely communicated the evaluation guidelines in advance. In determining employee compensation, apart from business profits and the state of the economy in each year, the employee evaluation is also an important factor. By basing employee compensation on employee evaluations, employees will be encouraged to carry out their duties and develop their potential efficiently and effectively.

- **Equal Treatment of Employees**

The Company recognizes the importance of treating employees equally within the organization, from recruitment to promotion, without bias or nepotism in evaluations, when expressing opinions and when working.

- **Employee Engagement Surveys**

In order to become aware of each employee's satisfaction or happiness in their work, the Company has specified that surveys be conducted of employees at all levels to gather opinions and suggestions. The information gathered can be used to correct and/or improve any shortcomings in management of the organization and personnel both in the short and long term. In addition, the Company has also set guidelines on submitting grievances in order to fairly and justly alleviate any frustration in the work place.

- **Provide Better Quality of Life for Employees**

The Company recognizes the importance of good quality of life of our personnel, which will encourage our employees to work efficiently. We, therefore, pay close attention to ensuring that the workplace is safe and hygienic for the health and benefit of our employees. In terms of health, the Company provides annual medical check-ups for employees. Furthermore, if the number of employees in any department is insufficient for the amount of work assigned, the Company shall employ additional employees so that the amount of work is suitable for the number of employees to better the quality of life for all.

- **Build Solid Management and Intra-Working Systems**

The Company recognizes the importance of continuous work processes from beginning to end in order to produce quality output that meet standards, as well as eliminate and lessen conflicts. To this end, every department has contributed to the Operational Manual to be used as a guideline in communicating and coordinating among departments within the organization. The manual is accessible by all through the intranet and is reviewed and revised as appropriate.

- **Build Good Relationship between Management and Employees**

The Company recognizes the significance of a good working relationship between management and employees, which affects the work efficiency. Therefore, we have organized activities between management and employees, which will improve the relationship between the two and encourage contentment in the work place; such activities include New Year's Party, merit making and sports events. In addition, management meets regularly with employees in order to exchange views. This will enable the organization to efficiently and effectively reach for the same goals.

• Create First-Rate Employees for the Organization and Society

In order for employees to conform and for collective discipline, when any employee evades or is in violation of work regulations, that employee will be considered to be at fault. This must be deliberated and rectified according to the regulations by taking into consideration good corporate governance as defined by the Company, which has set a guideline for management and employees. The Company firmly believes that developing employees into good and outstanding individuals will ensure the organization's stable and sustainable growth.

4. Policy on Management

The Company realizes that management is an important success factor. To this end, the Company has set up a suitable compensation program which is comparable to management in the healthcare business. Moreover, management is able to carry out their duties and responsibilities independently without intervention, which is for the mutual interest of the organization and all related persons.

5. Policy on Counter-Parties

The Company does business with partners, competitors, creditors, counter-parties and others according to the trade terms and conditions or agreements that are contractually fair and ethical by taking into consideration the suitability of price, quality and services provided. Clear guidelines are provided on procurement, employment and other procedures. No benefits may be requested of the counter-party or received from the counter-party. Procurement of products or services that infringe on human rights or intellectual rights or are derived from illegal acts are avoided. The Company has the policy to avoid any actions which may be dishonest or infringe on the rights according to the law or as mutually agreed upon of the counter-party, as well as to ensure that the transactions are ethical business-wise.

6. Policy on Competitors

The Company has the policy to act honestly towards companies in the same business in accordance with trade dealings. The framework of this policy has been shaped by related laws and regulations. The policy prohibits the seeking of business competitor's inside information through dishonest or inappropriate means. Furthermore, the infringement of intellectual property rights and false accusations that aim to discredit competitors without facts to support such claims are prohibited. The Company, however, supports fair competition for the greater benefit of the customers.

7. Policy on Customers

The Company recognizes that the customers are an important success factor of the business. The Company strives for customer satisfaction by providing quality professional service with the determination to continuously improve the quality of medical care services in order to meet the needs and expectations of the customers. This organization maintains the privacy of customers and will not disclose any customer's information unless required by law or when the customer has given consent.

8. Policy on Social Responsibility and the Environment

The Company aims to consistently treat society and the environment with the highest standards by upholding safety and environment-friendly standards throughout the business. The Company is involved in public interest and has participated in activities that benefit the community and the environment. It is the Company's policy to act responsibly towards society, related persons and personnel within the organization.

The Company recognizes the impact of the medical care process on the environment, as well as the safety of the customers and the health of all levels of personnel providing service. To this end, the Company first adopted ISO 14001 for Environmental Management and Mor Or Gor. 18001/ OHSAS18001 for Occupational Hygiene and Safety Management within the organization and received certification from Management System Certification Institute (MASCI). Furthermore, the Company has announced and conveyed the “Environmental, Occupational Health, and Safety Policy” within the hospital to all personnel and related persons since 2003. The policy has been practiced earnestly and consistently.

Moreover, the Company has participated in many charitable activities and has supported the employees’ concerns regarding the environment and the community. In 2007, the Company established the “Community Relations Committee” to oversee, coordinate and communicate between the organization and the community.

9. Policy and Guidelines on Human Rights

The Company recognizes the importance of human rights and has thus instituted the policy on human rights. Each employee has rights, freedom and equality, as well as the opportunity for career advancement according to his/her individual skills and potential. Such rights, freedom and equality must be within the rights and freedom of the citizens as stipulated in the Constitution of the Kingdom of Thailand, no matter that person’s place of birth, ethnicity, language, religion, age, gender, social-economic status or political views.

Therefore, in order that the directors, management and employees respect human rights and rights within the work place, the Company has imposed the “Policy and Guidelines on Human Rights” so that everyone shall acknowledge and act accordingly. The policy has also been published on the Company’s website.

10. Policy on Non-Infringement of Intellectual Property Rights or Copy Rights

The Company envisions the Company and its subsidiaries to be an efficient organization with good corporate governance. Therefore, the Company has the policy to act in accordance with laws on Intellectual Property Rights and Copy Rights by ensuring that there are no infringements upon intellectual property rights or any action or benefits derived from copy righted work, unless lawful use has been granted by the owner of those rights. Thus, the Company has established the “Policy on Non-Infringement of Intellectual Property Rights and Copy Rights” so that the directors, management and employees shall acknowledge and act accordingly. The policy has also been published on the Company’s website.

Stakeholders Engagement

The Company provides the opportunity for employees and stakeholders to contact the Company, share opinions, make complaints and report any wrong doings through channels as stated in the announcement entitled “Company’s Code of Ethics”, which has been declared and posted on the Company’s website. Persons assigned to take complaints from stakeholders must adhere to the following procedures:

- Gather facts on the violation, neglect or unethical behavior. Those in charge of the related information must disclose all information available to the person assigned to gather facts and investigate complaints.
- Assess and analyze the information to find the cause and whether there has been any violation, neglect or unethical behavior. Once the analysis is completed, it must be reported to the person with authority to take further action.
- In the event that an act of violation, neglect or unethical behavior has been found, action will be taken in accordance with the guidelines of the Company or related regulations.

The Company has the policy to protect and mitigate any damages to the persons reporting the misconduct, persons assisting in the reporting or persons cooperating in the investigation of facts. Such persons shall receive protection and fairness under the Whistleblower Policy as stated in the “Company’s Code of Conduct”. The Whistleblower Policy may be summarized as follows:

- The Complainant may choose to issue the complaint anonymously should he/she think that disclosure of his/her identity would not be safe. However, should the complainant disclose his/her identity, he/she would be able to receive progress reports as well as an explanation of the facts or receive relief of damages in a faster and more convenient manner.
- The person assigned to take complaints must keep all information confidential and disclose such information only when deemed necessary by taking into consideration the safety of and the possible damages to the complainant or persons cooperating in the investigation. The Company guarantees that there will be no grounds for termination of employment, punishment or any other actions that would be adverse to the employee.
- Persons who are adversely affected, shall receive mitigation of damages through suitable and fair process.

Disclosure and Transparency

The Company has the policy to ensure that disclosure of financial information and general information to shareholders, investors and securities analysts, as well as the general public, is done so sufficiently, completely, justly, timely, with transparency, and as prescribed by relevant laws and regulations. To this end, the Company monitors the issuance of any new regulations and adjusts the company's guidelines in accordance with such regulations. Moreover, the Company discloses such policies to internal staff as well as posts the policies on the Company's website. Such policies are:

1. Memorandum and Articles of Association
2. Good Corporate Governance Policy
3. Code of Conduct
4. Corporate Information Disclosure Policy
5. Supervision of Inside Information Usage Policy
6. Fraud Prevention and Anti-Corruption Policy
7. Policy and Guidelines on Human Rights
8. Policy on Non-Infringement of Intellectual Property Rights and Copyrights

The Company has the policy to disclose the financial statements, important information and any other information which may affect the interests of the shareholders or the decision to invest in the Company, which in turn, may affect the price of the shares and/or securities of the Company. This information will be disclosed sufficiently, completely and at the appropriate time through fair and suitable channels. The main purpose is to ensure that the decision to invest in securities of the Company is made fairly and with equal information, in accordance with the Corporate Information Disclosure Policy and the Supervision of Inside Information usage policy distributed to the directors, management and employees for further action.

Furthermore, the Board of Directors has prepared the report of responsibilities to the financial statements along with the report from the auditors and has included the reports in the annual report and the annual information disclosure form so that management may recognize the commitment and responsibility to information and financial reports, which must be accurate before being made available to the investors.

Disclosure of Information

Apart from disclosure of information as mandated by law and regulations of the related agencies, the Company has established the Investor Relations unit as a channel for direct contact for investors and analysts both in Thailand and abroad, including related persons or external persons who are interested in the Company. In communicating to external parties, executive management who have been assigned the task of disclosing information about the Company are the President, the Chief Financial Officer and Finance Director (Investor Relations). In 2015, the executive officers, including the Finance Director (Investor Relations) met with and provided information at the following opportunities:

1. Road shows: 5 domestically, and 3 abroad (8 times in total)
2. Analyst Meetings: 4 times
3. Arranged Company Visits and Conference Calls: 190 times
4. Site Visits: 21 times

The Company provides information on the company, operating results, financial statements, and news to the Stock Exchange of Thailand (SET). Interested persons may look up this information on the SET website www.set.or.th and the Company's website www.bangkokhospital.com. For further information, investors and interested persons may contact the Finance Director (Investor Relations) by telephone at 0-2755-1793 Facsimile 0-2755-1959 e-mail : investor@bangkokhospital.com or the company website www.bangkokhospital.com.

Responsibilities of the Board of Directors and the Sub-Committees

Board of Directors

The Board of Directors is comprised of 15 members, 6 of those being Executive Directors, 2 being Non- Executive Directors, and 7 Independent Directors. The Board of Directors believes that having 7 qualified and capable Independent Directors is a sufficient number to balance and review the management.

Executive Directors

Executive Directors are directors who are involved full-time in the management of the Company and receive monthly compensation, whether it be a monthly salary or other forms of compensation consistent with the Company's regulations or benefit plans.

Non-Executive Directors

Non-Executive Directors are directors who are not involved full-time in the management of the Company nor do they receive a monthly salary from the Company. These directors may be appointed or be representatives of major shareholders.

Independent Directors

Independent Directors are directors who are not involved in management of the Company, subsidiaries, associates or related companies with independent management, major shareholders nor have authority to take over the business. Furthermore, the Independent Directors must not have a business or be involved with the interests of the Company, subsidiaries, associates or related companies, which may negatively affect the interests of the Company and/or shareholders.

Qualifications of Independent Directors, which the Company has set according to regulations of the SEC, are as follows:

1. Holds less than 1.0 percent of the voting shares of the Company, its subsidiaries, associates or affiliates, or juristic persons with conflicts of interest. This includes shares held by related persons of the individual independent directors. (Related persons meaning children as defined in Article 258 of the Securities and Exchange Act.)
2. Is not/has not been an executive director, staff, employee, salaried advisor or person with controlling power of the Company, parent company, subsidiaries, associated companies, same level subsidiaries, major shareholders or persons with controlling power, unless that status has ended for no less than 2 years prior to the appointment. This restriction shall not apply to an independent director who has been a civil servant or an advisor to a government authority that is a major shareholder or controlling person of the Company. (Same level subsidiaries meaning subsidiary with the same parent company.)

3. Is not a blood relative of or has a legally registered relationship as father, mother, spouse, sibling and child, as well as spouse of child, with management, major shareholders with controlling power or individuals to be proposed as management or those having controlling power over the company or subsidiaries.
4. Does not have/has not had business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders or persons with controlling power, in a way that may hinder one's independent judgment. In addition, the individual must not be/have been a substantial shareholder or a person with controlling power of an entity that has a business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders or persons with controlling power, unless that status has ended for no less than 2 years prior to the appointment.
5. Is not/has not been an auditor of the Company, parent company, subsidiaries, associated companies, major shareholders or persons with controlling power of the Company and is not a substantial shareholder, a person with controlling power or partner of an audit firm which employs auditors of the Company, parent company, subsidiaries, associated companies, major shareholders or persons with controlling power, unless that status has ended for no less than 2 years prior to the appointment.
6. Is not/has not been a professional advisor, which includes legal counsel and financial advisor, who receives a service fee exceeding Baht 2 million per year from the Company, parent company, subsidiaries, associated companies, major shareholders or persons with controlling power and is not a substantial shareholder, a person with controlling power or partner of the professional advisor, unless that status has ended for no less than 2 years prior to the appointment.
7. Is not a director who has been appointed as a representative of the Company's directors, major shareholders or a shareholder who is a related person to a major shareholder.
8. Not conducting any business which is of the same nature as or in material competition with that of the Company or its subsidiaries, nor be a substantial partner, executive director, staff, employee, salaried advisor, or hold more than 1% of total shares with voting rights of any company whose business is of the same nature as or in material competition with that of the Company or its subsidiaries.
9. Not possess any other characteristics which may render that person incapable of expressing independent opinions with regards to the Company's operations.

Independent Directors may be assigned by the Board of Directors to make decisions regarding operations of the Company, subsidiaries, associated companies, same level subsidiaries or juristic persons that pose a conflict of interest through a collective decision.

Separation of Positions

1. Presently, the Chairman of the Board of Directors does not participate in the management of the Company. Furthermore, the Company has stipulated that the Chairman and the President must not be the same person nor be a member of any sub-committee so that the Chairman may be independent from management and have the independence to make decisions and ensure that the directors carry out their responsibilities with transparency and without bias. The Chairman shall act fairly in using policy and active strategy in ensuring that Board meetings are held and that all directors participate and independently raise questions at each meeting.

2. The Company has determined that the Chairman of the Board must not be a member of the Nomination and Remuneration Committee so that the Committee shall be free to make decisions independent of the Board of Directors.

Authority of Directors and Management are clearly defined and separated

The Company has clearly separated the responsibilities of the Board of Directors from that of management, whereby the Board of Directors shall determine the policy and ensure that management acts in accordance at the policy level. The Board of Directors shall meet regularly each month to monitor and support strategic policies of the Company. At the same time, the Board of Directors shall not interfere with day-to-day operations or business activities under the responsibility of the President and management. While management is under the supervision of the President,

who will ensure that the Company complies with the policies and goals that have been set, as only the President is assigned such tasks by the Board and the Executive Committee. Therefore, management efficiently responds to the power and responsibility of the President. Furthermore, the Company has clearly defined the duties and authority of the Board of Directors, Sub-Committees and all levels of management.

Term of Directorship

In principal, directors should not serve for a long, continuous period of time. However, there is a shortage of persons with experience and knowledge and understanding of healthcare, as well as limitations in finding suitable replacements. In addition, we must take into consideration management risk that may occur because of lack of knowledge and understanding of healthcare, which is an important factor in selecting directors, especially in the healthcare business, which requires expertise and specialization in order to clearly understand the Company's business. Therefore, the Company has not set any official limitations on the term of the directors.

Determining the number of companies listed on the Stock Exchange of Thailand that any one director may hold directorship

The Company has established the policy that directors of the Company may hold no more than 5 directorships of a company listed on the Stock Exchange of Thailand (including directorship of the Company) as it may result in the director not being able to give his/her full attention to a company.

Duties of Directors

Each director has the duty and responsibility to determine and monitor the operational policies of the Company, apart from the duties and responsibilities as stated in "Shareholding Structure and Management", the duties of the Directors include the following:

1. Directors should have sufficient access to financial information and other business information so that he/she may carry out duties efficiently.
2. Directors should attend every Board meeting as well as sub-committee meetings, and raise important questions to protect and maintain the rights and interests of the shareholders and stakeholders to ensure proper business conduct and operations.
3. Directors should attend every shareholders' meeting, especially Directors who have been appointed to the Audit Committee, in order to answer and provide explanations to the shareholders' queries, as well as acknowledge suggestions from the shareholders.
4. Directors should be capable and have the intention to learn about the Company's business, as well as share opinions independently, devote time to the Company as needed and show interest in the important issues.
5. Independent Directors should submit a letter to the Company to confirm that he/she is truly independent, according to the Company's definition, on the day that he/she has accepted the appointment to the position and each year after such appointment.
6. Assess the performance of the Board of Directors and Sub-Committees as a whole.
7. Any other duties of the Directors as stipulated in notifications, acts or laws governing the Company.

Board of Directors Meetings and Sub-Committee Meetings

The Company has set the dates for the Board of Directors' meetings and the Executive Committee Meetings in advance for the entire year and may have extra-ordinary meetings as deemed necessary. The regular Board of Directors' meetings are to be held on the last Wednesday of each month with the Executive Committee meeting to be held on the Tuesday prior to the Board meeting and members of the Board and Executive Committee are made aware of these dates in advance so that they can arrange their schedules to accommodate the meetings. The agenda of each meeting will also be set in advance and will include continuing agendas to follow up on any assignments from prior meetings. The Company Secretary shall send meeting invitations and the agenda at least 7 business days in advance of each meeting in order to allow directors sufficient time to review the information prior to attending the meeting.

The meetings of the Audit Committee and the Nomination and Remuneration Committee are not set in advance. However, the meetings of the two sub-committees are held as deemed appropriate and when opportunity allows in order to accomplish the duties assigned. After the sub-committee meetings, the Chairman of the committees or an appointed representative shall report the result of the meeting to the Board of Directors at the subsequent Board meeting.

The Company has disclosed attendance at the 2015 Board of Directors' Meetings and the Sub-Committee Meetings in the section titled "Management Structure".

Determining Remuneration for Directors and Executives

Presently, the Company has appointed the Nomination and Remuneration Committee the task of justly determining the remuneration of directors to correspond to the directors' duties and responsibilities by comparing to those of leading companies listed on the Stock Exchange of Thailand and those companies of similar size in the same industry. In addition, the remuneration must be in-line with the Company's operational results and must be approved by the Shareholders' Meeting.

As for remuneration of executives, the Company will award remuneration by performance evaluation as stated in the guidelines defined by the Board of Directors and the Human Resources Department for each level of management. The performance is linked to the operational results of the Company and individual accomplishments.

Directors' Knowledge Enhancement

The Company has the policy to encourage directors of the Company and subsidiaries to attend the Director Certification Program (DCP) and the Director Accreditation Program (DAP) organized by the Thai Institute of Directors (IOD). The programs will provide the directors with knowledge and understanding of efficient corporate governance and will enable them to use the knowledge for continuous good corporate governance. Fifteen of the directors have attended and passed the Director Certification Program and/or the Director Accreditation Program. The Company also encourages directors to attend training courses on amendments and updates of the regulations, policies and guidelines of the Stock Exchange and the SEC.

The Company has assigned the Company Secretary the task of summarizing significant changes to the regulations or guidelines to the President for further reporting to the Board of Directors for their acknowledgement and practice. In some cases, the Company may invite experts in specific fields to present such information or guidelines to the Board of Directors for their acknowledgement and practice. In conjunction, the Company also supported the Company Secretary's attendance in the Director Certification Program.

2. Sub-Committees

The Board of Directors resolved to appoint three sub-committees, namely, the Audit Committee, the Nomination and Remuneration Committee and the Executive Committee, to assist in ensuring corporate governance, internal control and to filter issues. The Board has also clearly separated the duties of each committee by prescribing the responsibilities in the respective committee's charter.

2.1 Audit Committee

The Committee is comprised of three independent directors and each member serves for a term of three years. The Audit Committee members are as follows:

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| 1. Professor Emeritus Santasiri Sornmani, M.D. | Chairman of the Audit Committee |
| 2. Mr. Sripop Sarasas | Audit Committee Member |
| 3. Mr. Weerawong Chittmittrapap | Audit Committee Member |

The Audit Committee is granted full authority by the Board of Directors to carry out its duties, which include systematic monitoring of business practices, ensuring efficient and strict internal control measures, ensuring compliance with laws on disclosure and determining risk management dealing with the business and finances of the Company. Presently, one of the Audit Committee members is knowledgeable and has direct experience in accounting and finance, namely, Mr. Sripop Sarasas.

In planning internal audits, the Audit Committee will have the internal audit officers plan the audit of the Company for the entire year. The Company has engaged an external company, which is licensed and suitably qualified to carry out the internal audit. We believe that internal audit by external auditors will result in just and efficient reporting of the facts as they have independence and flexibility. The Audit Committee will report the activities of the internal auditors at the Board of Directors' meeting immediately after each meeting.

At Audit Committee meetings that deal with the financial statements and disclosure of financial reports of the Company, the Chief Financial Officer and the Assistant Chief Financial Officer will both be in attendance. Prior to meetings on the financial statements with management, the Audit Committee shall meet with the accounting auditors separately, without management, to enquire about the important risks that may occur from the financial statements or the financial status or limitations, which the auditor has found in the process of auditing the financial statements of the Company and subsidiaries. This is to ensure that auditors are able to act independently without impediments in auditing the Company.

Qualifications of the Audit Committee

The Audit Committee must be comprised of Independent Directors appointed by the Shareholders' Meeting or the Board of Directors' Meeting. The Independent Directors must have the following qualifications as prescribed by the Securities and Exchange Commission:

1. Shall not hold shares exceeding 1.0% of the total number of voting shares of the Company, its parent company, subsidiary, associate, or juristic person that may have conflict of interest, including shares held by related persons of such independent director. (Related persons mean persons according to Clause 258 of the Securities and Exchange Act.)
2. Shall neither be nor have ever been a director with management authority, employee, staff member, advisor who receives a salary or is a controlling person of the Company, its parent company, subsidiary, associate, same-tier subsidiary company, major shareholder or controlling person unless the foregoing status has ended not less than two years prior to the date of becoming a director. Such prohibitions shall not, however, include cases where the Independent Director previously served as a government officer or an advisor to a government agency which is a major shareholder or controlling person of the Company. (Same-tier subsidiary company means subsidiaries with the same parent company.)
3. Shall not be a person related by blood or legal registration as father, mother, spouse, sibling, or child, including spouse of child of other directors, of an executive, major shareholder, controlling person, or person to be nominated as director, executive or controlling person of the Company or its subsidiary.
4. Shall neither have nor have ever had a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, in a manner that may interfere with his/her independent judgment, and neither is nor has ever been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of becoming an independent director.
5. Shall not be nor have ever been an auditor of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, and not be a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of becoming an independent director.
6. Shall not be nor have ever been a provider of any professional services including legal advisor or financial advisor who receives service fees exceeding Baht 2 Million per year from the Company, its parent company, subsidiary, associate, major shareholder or controlling person, and not be a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of becoming an independent director.
7. Shall not be a director appointed as representative of the Board of Directors, major shareholder or shareholder who is related to a major shareholder of the Company.

8. Apart from not undertaking any business in the same nature and in competition with the business of the Company or its subsidiary, the Independent Director must also not be an employee, staff member or advisor who receives salary or holds shares exceeding 1.0% of the total number of shares with voting rights of another company which undertakes business in the same nature and in competition with the business of the Company or its subsidiary.
9. Shall not have any other characteristic that limits his or her ability to express independent opinions regarding the Company's operations.

The Independent Director may be assigned by the Board of Directors to make decisions relating to business operations of the Company, its parent company, subsidiary, associate, same-tier subsidiary or any juristic person with a conflict of interest on the basis of collective decision.

Apart from the aforementioned qualifications of the Independent Director, the Audit Committee Member shall possess the following additional qualifications:

- 1) Shall not be a Director who has been assigned by the Board of Directors to make decisions regarding operations of the Company, parent company, subsidiary, associate, same-tier subsidiary or juristic persons with conflict of interest.
- 2) Shall possess knowledge and experience as well as be able to dedicate sufficient time to carry out the duties as assigned.
- 3) Shall not be an Audit Committee Member at any other company listed on the Stock Exchange of Thailand, which is in the same business or industry nor be an Audit Committee Member of more than five other companies listed on the Stock Exchange of Thailand as it may affect the Director's ability to fully carry out his/her duty.

The following are not considered to have an impact on the Audit Committee Members' ability to carry out their duties or to provide independent opinion:

1. Transactions between the Audit Committee Member or related persons and the Company, subsidiary, associate or major shareholder of the Company regarding purchase or sales of products or services under the following conditions:
 - 1) The purchase or sale of such products or services is transacted under normal business and generally accepted conditions with clearly defined and disclosed guidelines;
 - 2) The prices of the products or services are comparable to those offered to other customers.
2. Connected transactions which have been carried out in accordance with the related notifications of the Stock Exchange of Thailand.
3. Other transactions which have been carried out in accordance with the laws, regulations or notifications of the Stock Exchange of Thailand and under the responsibility of the Audit Committee to assist the Committee in carrying out their duties in ensuring the accuracy of the financial reports, the efficiency of the internal audit system and compliance with laws, regulations and ethics as well as to promote good corporate governance.

Scope of Duties and Responsibilities of the Audit Committee

To enable the Audit Committee to carry out their duties as assigned by the Board of Directors, the Company has defined the duties and responsibilities of the Audit Committee as follows:

1. Ensure that the Company abides by the laws governing securities and exchange, regulations of the Stock Exchange of Thailand and laws related to the Company's business.
2. Ensure that the Company reports and discloses information in the financial statements accurately, completely and reliably by coordinating with the external auditor and management in charge of preparing financial statements at the periods prescribed by the Stock Exchange of Thailand, applicable laws and government agencies.
3. Select and nominate the auditor and the auditor's annual remuneration to the Board of Directors for further approval by the Shareholders' Meeting.
4. Ensure that there is a process for employees to notify of any unsuitable items in the financial statements, including other matters, as well as provide the whistleblower with the confidence that there is an independent process of investigation and suitable monitoring.
5. Ensure that the Company has suitable and efficient Internal Control and Internal Audit systems by reviewing the systems with both the internal and external auditors. The Audit Committee shall consider the independence of the internal auditor department.

6. Review evidence of the internal investigations when there is doubt or assumptions that there has been fraud or irregularities or significant defect in the internal control system and report such findings to the Board of Directors for further consideration.
7. Delegate and review the evidence if there is suspicion that a law or regulation of the Stock Exchange of Thailand has been violated, which has or may have a significant impact on the Company's financial status or performance.
8. Employ or engage a specialist to support auditing and investigations, by following the Company's guidelines on employment and engagement, in the case that the Audit Committee finds or suspects that there is a transaction or action that may significantly impact the Company's financial status or performance. Such employment or engagement shall be paid by the Company.
9. In the case that the Company has its own Internal Audit Department, the Audit Committee has the authority to approve the appointment, transfer or termination as well as the authority to evaluate the performance of the Head of the Internal Audit Department. However, if the Company engages an external auditor to conduct the internal audit, the Audit Committee has the authority to approve the appointment and remuneration of such engagement.
10. Ensure that the Company has suitable risk management and controls, encompassing the entire organization as well as suggest appropriate and efficient management of risks associated with the Company's business.
11. Review the risk management report and monitor important risk factors as well as present to the Board of Directors the report on the sufficiency of the system and risk controls.
12. Ensure that conflicts of interest do not arise by reviewing connected transactions between the Company or subsidiaries and connected persons to ensure that they are in compliance with the laws and regulations of the Stock Exchange of Thailand.
13. Prepare the report of the Audit Committee and disclose in the Company's annual report, such report shall include details as prescribed by the notifications of the Stock Exchange of Thailand and other related regulations.
14. Review the Audit Committee's charter annually to ensure that the charter, at the minimum, includes details on the scope of the duties of the Committee as prescribed by the regulations of the Stock Exchange of Thailand regarding the qualifications and scope of duties and responsibilities of the Audit Committee. The charter must also include sufficient guidelines to support the duties of the Audit Committee, such as the employment of a specialist to provide an opinion that requires expertise with expenses paid by the Company. In the case that the Audit Committee deems it necessary to amend the charter to suit the guidelines, regulations or circumstances that have changed, the Audit Committee shall propose such changes to the Board of Directors for further approval.
15. Perform other actions as assigned by the Board of Directors.

2.2 Nomination and Remuneration Committee

In order to comply with good corporate governance of listed companies, the Board of Directors passed a resolution to appoint the Nomination and Remuneration Committee. The Committee must be mainly comprised of Independent Directors and serve for a term of three years. The Committee has the duty to seek qualified candidates for nomination as directors of the Company for both replacements of directors who have retired and new director positions, as well as the Chief Executive Officer and the President. Furthermore, the Committee shall set the guidelines to determine appropriate remuneration for the Board of Directors, sub-committee members, and the Chief Executive Officer and President.

The Nomination and Remuneration Committee is comprised of the following:

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| 1. Professor Emeritus Santasiri Sornmani, M.D. | Chairman of Committee |
| 2. Mr. Chuladej Yossundharakul, M.D. | Member |
| 3. Mr. Chawalit Setthmethikul | Member |
| 4. Mr. Sripop Sarasas | Member |

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

1. Specify the qualifications, the method and process in selecting candidates, as well as identify qualified candidates for directorship and propose those candidates to the Board of Directors for consideration of further proposal to the Shareholders' Meeting for resolution.

2. Consider the format, guidelines and rate of remuneration of the Board of Directors and sub-committees for consideration by the Board of Directors before presenting to the Shareholders' Meeting for resolution. Such format, guidelines and rate of remuneration, shall be concise, transparent, fair and consistent with the responsibilities and performance, which will motivate and retain qualified directors with potential.
3. Specify the qualifications, the method and process in selecting candidates for the position of Chief Executive Officer and President, as well as identify a qualified candidate and propose the appointment of the candidate to the Board of Directors for approval.
4. Consider the format, guidelines and rate of remuneration of the Chief Executive Officer and President, and propose to the Board of Directors for approval. Such format, guidelines and rate of remuneration, shall be concise, transparent, fair and consistent with the responsibilities and performance.
5. Prepare guidelines and method in assessing the performance of the Chief Executive Officer and President for approval by the Board of Directors.
6. Assess the performance of the Chief Executive Officer and President according to the guidelines approved by the Board of Directors and consider the annual remuneration from the results of the assessment, and then propose to the Board of Directors for approval.
7. Prepare the succession plan for the position of Chief Executive Officer and President and propose to the Board of Directors for approval.
8. Review the Nomination and Remuneration Committee's charter annually and in the case that the Committee deems it necessary to amend the charter to suit the guidelines, regulations or circumstances that have changed, the Nomination and Remuneration Committee shall propose such changes to the Board of Directors for further approval.
9. Perform other actions as assigned by the Board of Directors.

2.3 Executive Committee

In order to ensure that the Company follows the strategy, goals and plans set for the year, the Board of Directors made the decision to appoint the Executive Committee. The Committee is comprised of 5 executive directors and has the responsibility to supervise and ensure that the Company and its subsidiaries act in accordance with the set plans. In addition, the Executive Committee shall consider reports by management that are to be presented to the Board of Directors as well as have the authority to approve normal business transactions or transactions that support normal business activities of the Company within a given monetary limit. The approval authority of the Executive Committee cannot be used with persons that may have conflict of interest, stake or any other forms of conflict with the Company or subsidiaries. Such authority also does not include connected transactions and purchase/sale of important assets of the listed Company in accordance with the rules and regulations of the Stock Exchange of Thailand or other related regulations. The Company must act in accordance with the rules and regulations of the Stock Exchange of Thailand or other related regulations on such particular matter. Moreover, the approval authority of the Executive Committee does not include other matters which require approval from the Shareholders' Meeting as stated in the Articles of the Company.

The Executive Committee is comprised of five members as follows:

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| 1. Mr. Prasert Prasarttong-Osoth, M.D. | Chairman |
| 2. Mr. Chuladej Yossundharakul, M.D. | Member |
| 3. Mr. Chatree Duangnet, M.D. | Member |
| 4. Mr. Pradit Theekakul | Member |
| 5. Mr. Thongchai Jira-alongkorn | Member |

Scope of Duties and Responsibilities of the Executive Committee

1. Determine the vision, direction of the business, policies and strategies of the Company for further approval by the Board of Directors.
2. Review the business plan, budget plan, annual costs, investment plan and Corporate Social Responsibility (CSR) plan of the Company in accordance with the defined policies and strategies and propose to the Board of Directors for approval.

3. Ensure good corporate governance in accordance with the determined plans as well as ensure compliance with related laws, regulations and guidelines of the various agencies as well as the articles of the Company.
4. Consider the summary of the Company's operations and present to the Board of Directors for acknowledgement each quarter.
5. Approve investments and operational expenses under the authority assigned by the Board of Directors.
6. Approve or review the loan limit to subsidiaries under the authority assigned by the Board of Directors.
7. Ensure that the Company has suitable and succinct internal audit system as well as risk management and control system, which are both in accordance with the suggestions and comments of the Audit Committee.
8. Screen and review the organizational structure and scope of duties and responsibilities of the high level personnel for approval by the Board of Directors.
9. Approve the succession plan of the Hospital Director or equivalent up to the position of the Chief Executive Officer or equivalent.
10. Approve the appointment, transfer or termination of management for the level of Chief Executive Officer or equivalent. The Executive Committee shall also approve the candidates for nomination as representatives of the Company to the Board of Directors of subsidiaries so that the subsidiaries may further nominate those candidates through the approval process as stipulated by the laws or regulations and the articles governing each company.
11. Screen and review the pay scale and guidelines in the Company's and subsidiaries' annual salary adjustment for further approval by the Board of Directors. (This does not include the positions of the Chief Executive Officer and President.)
12. Appoint working teams to improve and/or solve various problems that may occur in accordance with the Company's policies.
13. Review the Executive Committee's charter annually and in the case that the Committee deems it necessary to amend the charter to suit the guidelines, regulations or circumstances that have changed, the Executive Committee shall propose such changes to the Board of Directors for further approval.
14. Perform other actions as assigned by the Board of Directors.

The above authority, duties and responsibilities may not be used with persons who may have a conflict, a stake or any other conflict of interest with the Company or subsidiaries. Nor do they include connected transactions or purchase and sale of important assets of the listed company in accordance with the regulations of the Stock Exchange of Thailand or other related notifications. In this regard, the Company shall act in accordance with the rules and regulations of the Stock Exchange of Thailand or other notifications relating to that particular matter. Furthermore, the above authority, duties and responsibilities do not include other matters in which the articles of the Company stipulate that a resolution of the Shareholders' Meeting is required.

3. The Nomination and Appointment of Directors and Executive Management

3.1 Nomination of Directors and Independent Directors

The Nomination and Remuneration Committee, which is comprised of 4 members with 3 of the members being independent directors, has the duty to nominate persons to become directors to replace those who are retired by rotation or to new Director positions by selecting suitable candidates in accordance with the qualifications and guidelines stipulated by the Committee. In the case of appointment of a new Director to replace a vacant position, the Committee will then propose those candidates to the Board of Directors for approval, which requires $\frac{3}{4}$ (three quarters) of the votes of the remaining directors. However, in the case of new Director positions, the Nomination and Remuneration Committee shall propose the candidates to the Board of Directors for consideration of further proposal to the Shareholders' Meeting for resolution.

As no less than one third of the Board of Directors must be comprised of Independent Directors, the Company's process in nominating Independent Directors will be the same as the process in nominating directors. However, the Company has determined additional qualifications for Independent Directors, which are consistent with the rules of the Office of the Securities and Exchange Commission as mentioned in the section "Responsibilities of the Board of Directors".

Guidelines and Method in Selecting Candidates for Nomination as Directors

The Nomination and Remuneration Committee has determined a method in screening candidates for nomination as directors by considering the following:

Knowledge, Experience and Diversity as Director

1. Knowledgeable and capable individuals with a clean work history, as well as being an expert in areas needed for the Board Matrix so that the Board of Directors may be able to set appropriate policies and strategies.
2. Has experience in being a director or executive of a large, successful organization.
3. Diversity in terms of education, profession, age and gender.

Personal Traits

1. Possess integrity and accountability.
2. Can make decisions professionally and reasonably with the information provided.
3. Possess maturity, leadership skills, vision and courage to express differing views independently.
4. Able to dedicate a sufficient and appropriate amount of his/her time as a director to the Company.
5. Possess qualifications as stated in the Board of Directors' charter as well as in the related laws, rules and regulations of the governing agencies.

In nominating directors to replace those who have retired by rotation or for new directorship positions, such candidates must be approved by the Shareholders' Meeting resolution. Such resolutions shall comply with the following:

1. Any one shareholder has the number of votes equal to the number of shares owned.
2. Each shareholder shall use all his/her rights to vote as stated in 1. to elect an individual(s). In the case of election of more than one Director, the votes cannot be split to any one person.
3. The candidates shall be ranked in descending order from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. If the votes cast for the candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman of the Meeting shall cast the deciding vote.

Furthermore, the appointment and removal of a Director shall be as stated in the Company's articles as follows:

- 1) The Board of Directors shall be comprised of at least 5 directors and no less than one half shall have residence in Thailand.
- 2) Directors shall be individuals with the following qualifications:
 - Be of legal age
 - Has not filed for bankruptcy, is not incompetent or near incompetent
 - Has never been imprisoned or received sentence of imprisonment for wrongful acquisition of assets
 - Has never been fired or terminated from civil service or government agency for malfeasance
- 3) At each annual general meeting, at least one third of the directors shall resign by rotation. If the number of directors cannot be divided by three, then the closest number to one third of the directors shall resign. Directors who have resigned by rotation may be re-elected as director.
- 4) Apart from resignation by rotation, directors may be removed in the following events:
 - Death
 - Voluntary resignation
 - Unqualified or be legally ineligible
 - Shareholders' Meeting passes a resolution for the removal of a director with no less than three quarters of the number of shares attending the meeting with the right to vote and with total number of shares of no less than half of the total number of shares held by the shareholders attending the meeting with the right to vote.
 - Court ordered resignation

- 5) Any director who wishes to resign may submit a letter of resignation to the Company and such resignation will be effective from the day the Company receives said letter.
- 6) If a director position should become vacant due to reasons other than the resignation by rotation, the Board of Directors shall select a qualified individual, who is not legally ineligible to the position at the subsequent meeting of the Board of Directors, unless the term of the vacant director position is less than two months. In this case, the director who fills the vacant position shall serve only until the end of the remaining term. The Board of Directors' vote for the appointment of the director to fill the vacant position shall be no less than three quarters of the remaining directors.
- 7) In the case that there is a large number of vacant director positions and the required quorum cannot be met, the remaining directors shall act in the name of the Board of Directors only in organizing a shareholders' meeting to elect individuals to fill all of the vacant director positions. Such meeting shall be held within one month from the date that the number of vacant director positions exceeds the required quorum. Those individuals filling those vacant positions shall serve only the remaining term of the director who previously held the position.

Furthermore, in past nominations of directors at the Shareholders' Meeting, the Company gave minor shareholders the opportunity to nominate qualified persons to the Board of Directors prior to the meeting so that the Company may consider nominating those persons at the Shareholders' Meeting. However, none of the shareholders had nominated persons for consideration by the Shareholders' Meeting. In addition, the Company had determined the method in voting whereby the shareholders shall vote for directors individually in accordance with good corporate governance.

3.2 Nominations of Executive Management

The process of nominating executive management begins from the selection of good, capable individuals with an attitude that suits the organization. The Company focuses on the new generation with the potential, knowledge and competence to develop and prepare for the opportunity to grow. The individual should also have the potential to rise up to top level management through evaluation by the Human Resources Department. In order to develop the individual's skills and knowledge of all aspects within the organization, the individual shall be assigned important tasks and rotated among the different departments to ready him/her to fill any important position that should become vacant.

In the case of the top executive management position in the organization (President), the Board of Directors has assigned the Nomination and Remuneration Committee the responsibility of determining the guidelines as well as the qualifications of the suitable candidate and presenting the guidelines to the Board of Directors for appointment of the position. Apart from the qualifications in terms of knowledge and capabilities, whereby the Nomination and Remuneration Committee may consider executive management within the organization or may engage an external advisor to select qualified candidates, the President shall also be a member of the Board of Directors. Therefore, the candidate whom the Nomination and Remuneration Committee believes is qualified and suitable for nomination to the position of the President, must have the suitable qualifications and be appointed as a director on the Board by the Shareholders' Meeting before assuming the position of President.

4. Governance of Subsidiaries

Maintaining Shareholder Rights

In governing the subsidiaries and associated companies, the Company as a shareholder has the same rights as other shareholders, such as the right to attend meetings and the right to vote. Therefore, the Company has the policy to appoint a representative to attend the Shareholders' Meeting. The Company's representative has the right to vote on important agendas at the Shareholders' Meeting such as capital decrease, rights offering, approval of the balance sheet, and approval of management structure. In this regard, the Company's representative shall vote according to the guidelines given by the Board of Directors or the Executive Committee (as the case may be) or the representative may ask the Executive Committee or the Board of Directors for approval of the vote in the case of crucial agendas prior to the Shareholders' Meeting.

Nominating Representative(s) as Director of a Subsidiary or Associate Company

The Company shall appoint representatives as directors of the subsidiaries and associated companies. The Board of Directors has assigned the Executive Committee the task of determining the individuals who have the qualifications suitable for that particular business to represent the Company on the Board of Directors of the subsidiaries and associated companies. The representative has the duty to act for the benefit and in accordance with the articles of that subsidiary or associated company, which will be advantageous to the Company as a shareholder. At the same time, the Company has determined the policy that states that voting as a director of subsidiaries and associated companies on important agendas at the Shareholders' Meeting such as capital decrease, rights offering, approval of the balance sheet, approval of management structure and entering various transactions as stipulated in the Securities and Exchange Act, shall be in accordance with the guidelines set by the Executive Committee or the Board of Directors of the Company (as the case may be). The voting shall also be consistent with good corporate governance. In appointing representatives as directors of subsidiaries or associated companies, the representation shall correspond with the ratio of shares held by the Company.

In governing the disclosure of financial statements and results, transactions between subsidiaries and connected persons, procurement or sale of assets, or the completion of significant transactions, the Company has set the rule that individuals appointed by the Company shall make certain that the subsidiaries have regulations on connected transactions, purchase or sale of assets or any other important transactions to ensure completeness and accuracy as well as disclosure of such information consistent with the Company's own regulations. In addition, the representative shall also ensure that accounting records are kept and are accessible for the Company to review and collect for preparation of the consolidated financial statements within the given time period.

Group's Central Accounting and Finance Policy

Presently, the Company has determined that all subsidiaries shall abide by the Central Accounting and Finance Policy. This is to ensure that each subsidiary has an accounting policy, as well as accurate and timely reporting and disclosure of financial information in accordance with the rules of the regulating agency and related regulations.

5. Controlling Use of Insider Information

The Board of Directors approved the policy on controlling the use of insider information to determine guidelines in disclosing and preventing transactions that may cause conflict of interest, including the misuse of insider information. The guidelines are as follows:

1. Prepare the Company's ethics manual as well as employee ethics, which cover conflicts of interest, information disclosure, and prohibition of the use of or benefit from insider information or disclosure of insider information for personal gain or others' benefit. The guidelines also state the policy on treatment of stakeholders with regards to shareholders' rights and maintaining privacy of customers. These guidelines are communicated to related persons for acknowledgment and general practice.

2. Determine the quiet period when the directors and management of the Company are not allowed to trade securities or provide news on the operating results or any other kind of news that may affect the price of the Company's shares and have not been publicly disclosed, for a period of 14 days before the day the quarterly financial statements and the annual financial statements are announced. The quiet period is stated in the Corporate Information Disclosure Policy and Supervision of Inside Information Usage Policy.

3. Disclosure of securities held by the directors and management (as defined in the Securities and Exchange Act and/or the Notification of the Capital Market Supervisory Board) whereby the directors and management are required to report to the Office of the Securities and Exchange Commission any purchase and sale of Company's securities within one month from the date of first appointment to the position and within three business days after any changes. The directors and management shall also report securities held or any changes to the Company Secretary so that the Company Secretary may gather reports on the changes in ownership of the Company's securities and include them in the agenda of the next Board of Directors' Meeting for acknowledgement.

4. In reporting any stake or interest, the Company has determined that the directors and management shall report one's stake or that of a related person to the Company Secretary as well as report any changes in such stakes. The Company Secretary then has the duty to file the reports and report any changes to the Chairman of the Board and the Board of Directors' Meeting in accordance with the Securities and Exchange Act B.E. 2535. The Company shall use the information to control transactions between the Company and directors or management and/or persons related to the aforementioned as required by law.

5. The Company has determined the procedures and punishments when it is discovered that there has been misuse of insider information for personal gain, which is in accordance with the rules, regulations and policies on the use of insider information posted on the Company's website.

6. Anti-Corruption Policy

The Company has the policy to conduct business with virtue and social responsibility. The Board of Directors has approved the policy on anti-corruption, which has been communicated to personnel within the Company, subsidiaries and associated companies for acknowledgment and practice. The policy has also been posted on the Company's website.

In the past, the Company has carried out the aforementioned policy to prevent fraud and corruption, which can be summarized as follows:

1. The Company has provided guidelines on assessing the operational risk and on ranking the risks that may occur for the planning of internal auditing and risk management.

2. Guidelines are provided on the control and prevention of any risks that may occur by determining the principals and regulations on procurement, reimbursement, budget approval, charitable donations, entertaining guests or giving gifts. In addition, the guidelines specify that there shall be an internal control system in finance, accounting, data recording as well as other internal processes related to accounting and finance to ensure confidence that the financial transactions are consistent with the approved objectives and that the business is transparent.

3. The Company has communicated the policy on anti-corruption to the various departments within the Company, the subsidiaries and the associated companies through various channels, namely, employee training, intranet and the Company's website for the acknowledgement and practice of related persons.

4. The Audit Committee has the duty to ensure that the Company has sufficient good corporate governance, consistent with the policy set.

5. The Company has provided channels to report any violations or unlawful acts or ethical misconduct or fraudulent or corrupt behavior. In addition, the Company has set the Whistleblower Policy to protect and alleviate any damages to the whistleblower or petitioner or persons cooperating in the reporting of such acts.

7. Auditor's Remuneration

EY Office Limited has been the auditor of the Company and its subsidiaries since the annual audit in 2005 to the present. In 2015, the Company and its subsidiaries have compensated the auditor as follows:

1. Auditing Fee

The Company and subsidiaries paid auditing fees in Baht, details as follows:

(Unit : Baht)

	Review of 3 quarterly financial statements	Annual Audit Fee	Total
Bangkok Dusit Medical Services Plc.	870,000	1,030,000	1,900,000
Subsidiaries (56 companies)	6,620,000	14,653,500	21,273,500
Total auditing fee			23,173,500

2. Other fees

In 2015, the Company paid for due diligence services, which is apart from the auditing fee, in the amount of Baht 0.9 million to EY Corporate Services Company Limited, a company that is connected to EY Office Limited.