



Announcement of the Board of Directors

No. 1/2563

Subject: Corporate Governance Policy

To be compliant with the resolution of the Board of Directors at the meeting no. 3/2563 on May 15, 2020, the Company therefore issued an announcement on corporate governance policy to be regarded as principles and guidelines as follows:

Principles and Reasons

Civil Engineering Public Company Limited and its group companies (“**Company**”) believe that a good corporate governance process will assist the Company to execute good management that is with efficiency, effectiveness, conciseness, and transparency, which shall be verifiable and able to build confidence and trust among the shareholders, stakeholders, and all parties involved. It will also help the Company to achieve success according to its strategy, objectives, and goals, good performance and returns with the ability to be adaptable to changes and to create value for the Company in order to grow steadily and sustainably in the long run.

Therefore, the Company has established a corporate governance policy which is in accordance with the Good Corporate Governance Principles for Listed Companies 2017 or the Corporate Governance Code (CG Code) of the Securities and Exchange Commission (“**SEC**”) to be used as a practice and guideline for relevant parties to implement. It is required that the mentioned corporate governance policy be reviewed regularly at least once a year to ensure that the policy is appropriate to the situation and changes in business conditions.

Corporate Governance Policy

The Company recognizes the importance of good corporate governance, which is a key factor in creating fairness to stakeholders, enhancing the Company’s operations in achieving its strategies and objectives, and creating value for shareholders which results in the Company’s steady



and sustainable growth, by establishing good corporate governance practices and guidelines. The essence of the policy can be divided into eight principles as follows:

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

Principle 1.1 The Board understands its role and is aware of the responsibility as a leader to oversee the organization's good management covering the following areas:

- (1) Setting the strategies, objectives, and goals
- (2) Establishing operational policies as well as allocating key resources to achieve strategies, objectives, and goals.
- (3) Monitoring, evaluating, and overseeing performance reporting.

Principle 1.2 The Board of Directors is responsible for overseeing the Company to achieve the governance outcome in creating sustainable value for the Company by formulating various policies, including Corporate Governance Policies, Conflict of Interest Policy, Connected Transaction Policy, and Code of Conduct for Directors, Executives, and Employees, to create sustainable value for the Company, promote ethical business operations, have responsibilities towards shareholders, all stakeholder groups, society and environment along with having good performance and being able to adapt under changing factors. The Board shall arrange to have a regular review and amendment of various policies and plans to keep them up-to-date and appropriate to the business conditions as well as encourage communication to everyone in the Company to be informed and regard them as a business practice that must be followed seriously.

Principle 1.3 The Board of Directors is responsible for ensuring that all directors and executives perform their duties with duty of care and duty of loyalty and to ensure that operations are carried out in accordance with relevant laws, rules and regulations such as the Securities and Exchange Act B.E. 2535 (1992) (as amended) ("**Securities Act**"), section 89/7, 89/8, 89/9 and 89/10 (details attached), etc., including the Articles of Association, the resolutions of the shareholders' meeting, and the policies or guidelines that have been established by the Company. There must be sufficient systems or mechanisms to ensure that the Company's operations are in accordance with the relevant laws, objectives, regulations, resolutions of the Board of Directors' meetings, resolutions of shareholders' meetings, and the Company's policies. In addition, the Company must have a process to approve

important operations such as investments, transactions that have a significant impact on the Company, transactions with connected parties, acquisition/disposal of assets, dividend payments, etc., to ensure that they are in accordance with the law.

Principle 1.4 The Board has an understanding of the roles, scope of duties, and responsibilities of the Board of Directors and clearly defines the scope of delegation of duties and responsibilities to the sub-committees, the Chief Executive Officer, and the management as well as monitor and oversee to ensure duties are performed as assigned by stipulating various charters of the Board of Directors and sub-committees in writing. There shall be an arrangement for a regular review of the said charter at least once a year in order to ensure consistency with the Company's direction.

In addition, the Company also segregates the roles and responsibilities between the Board of Directors and the Management to ensure clarity in the performance of duties of each position in order to ensure checks and balances, to be able to review the management, and to ensure that the management of the Company is efficient and transparent as follows:

Matters for which the Board has primary responsibility¹

- (1) Defining vision, strategy, objectives, and main goals in business operations including the Company policies.
- (2) Creating an organizational culture that adheres to ethics and codes of conduct, including behaving as a role model.
- (3) Overseeing the structure and conduct of the Board of Directors to be appropriate for the achievement of strategies, objectives, and main goals in the business operations efficiently.
- (4) Recruiting, developing, determining the remuneration package, and evaluating the performance of the Chief Executive Officer.
- (5) Establishing a compensation structure that motivates people to perform their duties in line with the organization's strategy, objectives, and goals.

¹ refers to matters that the Board of Directors is primarily responsible for ensuring an appropriate implementation and of which the Board of Directors must have a good understanding and consideration. In considering these implementations, the Board of Directors may assign the management to present the matter for consideration.

Matters involving shared responsibility of the Board and management²

- (1) Establishing and reviewing strategies, goals, and annual plans.
- (2) Overseeing the sufficiency and suitability of the risk management and internal control system.
- (3) Determining the operation authority appropriate to the responsibilities of the management.
- (4) Determining the framework for resource allocation, development, and budgeting, such as policies and plans for personnel management and information technology policy, etc.
- (5) Performance monitoring and evaluation.
- (6) Ensuring credibility of financial and non-financial information disclosures.

Matters that the Board should delegate or not get involved with³

- (1) Execution in accordance with strategies, policies, and plans approved by the Board. That is, the Board allow the management to take responsibilities in day-to-day management, procurement, recruitment of personnel, etc., independently in accordance with the established policy framework. The Board shall monitor the results without interfering with the decision unless necessary.
- (2) Matters prohibited by regulations, such as approval of transactions in which directors have a conflict of interests, etc.

² refers to matters that the Board of Directors, the Chief Executive Officer, and the Management should jointly consider, and the Management shall propose to the Board for approval. The Board should oversee to ensure that the overall policy is consistent with objectives and main goals of the business, including assigning the management to carry out the implementation. The Board shall monitor and have the management report to the Board periodically as appropriate.

³ refers to matters that the Board of Directors should oversee at the policy level by assigning the Chief Executive Officer and the Management to be the primary responsible person for the implementation.

Principle 2 Define Objectives that Promote Sustainable Value Creation

Principle 2.1 The Board shall be responsible for ensuring that the Company has clear and appropriate objectives, which can be used as the main concept in determining a business model that can create value for the Company, stakeholders, and the society as a whole, by considering the following factors:

- (1) Environment and changes in various factors including applying technology and innovation appropriately.
- (2) The needs of employers and stakeholders.
- (3) The readiness, expertise, and competitiveness of the Company.

In addition, the Company shall encourage communication and reflect the objectives and main goals of the organization in the decisions making and operations of personnel at all levels until it becomes an organizational culture under good corporate governance.

Principle 2.2 The Board of Directors will oversee the preparation of annual strategies and plans to ensure that they are in line with the Company's objectives and main goals, taking into account the Company's environmental factors as well as opportunities and risks that may affect all stakeholders. The Board shall ensure that innovation and technology is introduced and applied appropriately including ensuring that the allocation of resources and operational controls are implemented appropriately. There shall be a preparation or review of a medium-term (3–5 years) objectives, goals, and strategies to be certain that the annual strategies and plans take into account the long-term impact and are reasonably predictable.

The Board will set both financial and non-financial goals appropriate to the business environment and recognize the risks of setting goals that could lead to illegal or unethical conduct by ensuring that the objectives and goals are transferred through plans and strategies throughout the organization.

Principle 3 Strengthen Board Effectiveness

Principle 3.1 The Board is responsible for defining and reviewing the structure of the Board in terms of the size, composition, and appropriate proportion of independent directors necessary in leading the Company to achieve the set main objectives and goals as follows:

- 3.1.1 The Board shall ensure that it is comprised of directors with a wide range of qualifications in terms of skills, experience, abilities and characteristics necessary to achieve the organization's objectives and main goals in order to be confident that the overall composition of Board of directors is qualified, able to understand and respond to the needs of the stakeholders as well as having at least one non-executive director with experience in the core business or industry in which the Company operates.
- 3.1.2 The Board shall consider the suitable number of directors that can perform the duties efficiently. The number of directors must be at least five, depending on the Company's situation.
- 3.1.3 The proportion between executive directors and non-executive directors in the Board of Directors shall reflect appropriate checks and balances whereby
 - (1) the majority of the directors shall be non-executive directors who are able to give their opinions on the performance of the management independently.
 - (2) The number and qualifications of the independent directors shall be in accordance with the rules of SEC and the Stock Exchange of Thailand ("SET"), and the Board shall ensure that independent directors are able to work with all the Board of Directors effectively and can express their opinions independently.
- 3.1.4 The Board of Directors will disclose the diversity policy of the composition of the Board of Directors and director's information such as age, educational background, experience, shareholding percentage, number of years as director, and directorship in other listed companies in the annual report and on the Company's website.

Principle 3.2 The Board of Directors will select an appropriate person to be the Chairman of the Board, who should be an independent director and not the same person as the Chief Executive Officer and ensure that the composition and operations of the Board of Directors facilitate independent decision-making. The Chairman of the Board has duties to cover the following matters:

- (1) Oversee, monitor, and ensure that the Board's performance of duties is efficient and achieves the organization's objectives and main goals.

- (2) Ensure that all directors are involved in fostering an ethical corporate culture and good corporate governance.
- (3) Set agendas for the Board of Directors' meetings in consultation with the Chief Executive Officer and measures to ensure that important matters are included on the agenda.
- (4) Allocate sufficient time for management to present matters and enough for directors to discuss important issues carefully in general, as well as encouraging directors to exercise prudent discretion and express their opinions freely.
- (5) Strengthen good relationships between executive directors and non-executive directors and between the Board of Directors and management.

However, in the event that the Chairman of the Board is not an independent director, the Board of Directors shall appoint an independent director to participate in determining the agenda of the Board of Directors' meeting to promote the checks and balances between the Board of Directors and the management and to be in accordance with the principles of good corporate governance for listed companies. Independent directors shall have a term of office not exceeding nine consecutive years from the date of first appointment as an independent director. In the event that such independent director is to be re-appointed to continue the term of office, the Board of Directors shall consider the prudence of such necessity. Furthermore, the Board will consider appointing sub-committees to consider specific issues, screen information, and propose guidelines for consideration before submitting to the Board for approval, as well as ensuring the disclosure of the roles and duties of the Board of Directors and sub-committees, the number of meetings, the number of meetings each director attended in the past year, and reports on the performance of all sub-committees.

Principle 3.3 The Board of Directors will oversee the nomination and selection of directors through a transparent and clear process in order to obtain the Board of Directors whose qualifications are in line with the specified composition. The Board shall arrange for a consideration of the criteria and methods in nominating a person in order to obtain a director with qualifications that will give the Board an appropriate composition of knowledge and expertise, including consideration of the profile of such person before proposing to the shareholders' meeting to appoint the director. The shareholders shall be provided with sufficient information about the persons nominated to support their decision-making.



Principle 3.4 Before proposing the director's structure and remuneration to the shareholders' meeting for approval, the Board of Directors shall ensure that the structure and remuneration of the Board of Directors are appropriate for their responsibilities and motivate the Board of Directors to lead the organization to achieve its goals both in the short and long term. Directors' remuneration in both monetary and non-monetary form must be appropriate, correlated with the value the Company creates for its shareholders, and aligned with the Company's long-term strategy and goals, including the experience, obligations, scope of work, accountability and responsibility, and contribution of each director. Directors who are assigned additional duties and responsibilities, such as being a member of a committee, will be compensated appropriately in a manner comparable to industry practice. The Board of Directors shall disclose policies and criteria for determining directors' remuneration that reflect the duties and responsibilities of each person, as well as the form and amount of remuneration received from the Company and its subsidiaries.

Principle 3.5 The Board of Directors will oversee all directors to be responsible and accountable for their performance of duties and to allocate sufficient time by establishing criteria and specify that the number of listed companies that each director may hold office shall not exceed five companies. A reporting system must also be implemented for directors to report their other positions and disclose this information for acknowledgement in order to be certain that directors are able to devote sufficient time to their duties in the Company.

In the event that a director holds a directorship or executive position or has a direct or indirect interest in other businesses that have a conflict of interest with the Company or if they can take advantage of the opportunities or Company's information for their own benefit, the Board will ensure that the Company has adequate preventive measures and notify shareholders as appropriate.

Principle 3.6 The Board of Directors shall ensure that there is a framework and mechanism for overseeing the policies and operations of subsidiaries and other businesses in which the Company has made significant investments at a level appropriate to each business and ensure that the subsidiaries and other businesses that the Company has invested in have a correct and aligned understanding.

Principle 3.7 The Board of Directors will organize an annual performance assessment of the Board of Directors, sub-committees, and individual directors to serve as a framework for reviewing the Board's performance of duties whether or not they have been compliant with good practices. This is

to improve the performance of the Board of Directors and to review the problems and obstacles that occurred in the past year. The assessment results will also be used for further improvement of the performance of duties.

Principle 3.8 The Board of Directors shall oversee that the Board and each director have an understanding of the roles and duties, nature of business, laws related to business operations, including the Company's objectives and main goals, vision, mission, and corporate values. This can be achieved through providing orientation to new directors as well as encouraging all directors to receive training and development on the knowledge necessary for performing their duties regarding law, rules, standards, risks, and the company's business environment. Also, the information on continuous training and knowledge development of the Board of Directors shall be disclosed in the annual report.

Principle 3.9 The Board of Directors will ensure that it can perform its duties effectively and have access to the necessary information, and that the Company Secretary has the knowledge and experience necessary and appropriate to support the Board's operations as follows:

- 3.9.1 The Board of Directors shall prepare meeting schedule and agendas of the Board of Directors in advance so that directors can schedule their time to attend meetings.
- 3.9.2 The Board of Directors will consider the number of meetings to be appropriate with the duties and responsibilities of the Board of Directors and the nature of the Company's business, which is not less than six times a year. In the event that the Board does not meet every month, the Board may require the management to report the performance to the Board in the month in which the meeting is not held in order for the Board to be able to monitor and oversee the operations of the management in a continuous and timely manner.
- 3.9.3 The Board of Directors will ensure that there is a mechanism for each director and management to be free to propose matters that are beneficial to the Company on the agenda.
- 3.9.4 The Board of Directors will ensure that the meeting documents are delivered to the directors at least 7 business days in advance of the meeting date.
- 3.9.5 The Board of Directors shall encourage the Chief Executive Officer to invite senior managements to attend the Board meeting to provide more detailed information as

they deal directly with the issues, and for an opportunity to become acquainted with senior managements to support the Board's consideration of succession plans.

- 3.9.6 The Board of Directors has access to additional necessary information from the Chief Executive Officer, Company Secretary, or other designated executive within the scope of the policy, and where necessary, the Board may seek an independent opinion from a consultant or external professional at the expense of the Company.
- 3.9.7 The Board of Directors may establish a policy that allows non-executive directors the opportunity to meet among themselves as necessary to discuss management issues of interest without management involvement and to notify the meeting results to the Chief Executive Office
- 3.9.8 The Board of Directors shall determine the qualifications and experience of the appropriate Company Secretary to perform the duties of advising the Board of Directors on legal and regulatory matters, preparing board meeting documents, important documents, and activities of the Board, including coordinating the implementation of the Board's resolutions. In addition, the Board shall disclose the qualifications and experiences of the Company Secretary in the annual report and on the Company's website.
- 3.9.9 The Company Secretary will receive training and knowledge development on a continuous basis for the benefits of their duty performance. If a certified program is available, the Company Secretary will be considered for such training.

Principle 4 Ensure Effective CEO and People Management

Principle 4.1 The Board of Directors will work to ensure that the Chief Executive Officer and senior management are recruited and developed with the knowledge, skills, experience, and attributes necessary to drive the organization towards its goals by establishing criteria and methods for recruiting qualified persons as well as promote and support the Chief Executive Officer and senior executives to receive training and development in order to increase their knowledge and experience that are beneficial to their operations. The Board shall oversee that a succession plan is implemented in order to prepare for the succession of the Chief Executive Officer and senior executives. The Chief Executive



Officer shall be assigned to periodically report the results of the succession plan to the Board of Directors for acknowledgment at least once a year.

Principle 4.2 The Board will oversee the establishment of an appropriate compensation structure and evaluation as follows:

- 4.2.1 The Board of Directors establishes a compensation structure that incentivizes the Chief Executive Officer, senior management, and other personnel at all levels to perform their duties in line with the organization's objectives and main goals and in line with the long-term interests of the Company, which include:
 - (1) Determining the appropriateness of compensation ratio in the form of salary, short-term performance such as bonuses, and long-term performance such as the Employee Stock Ownership Plan.
 - (2) Determining compensation policies that take into account factors such as industry standards and the performance of the Company.
 - (3) Establishing policies regarding evaluation criteria and communicating them to be acknowledged.
- 4.2.2 The Board, excluding executive directors, has a role in relation to the compensation and evaluation of the Chief Executive Officer, at least in the following areas:
 - (1) Approve the criteria for evaluation of the Chief Executive Officer where the performance evaluation criteria are designed to motivate the Chief Executive Officer to meet the objectives, main goals, and strategies, and be in line with the Company's long-term interests. The approved evaluation criteria shall be communicated to the Chief Executive Officer in advance.
 - (2) Evaluate the performance of the Chief Executive Officer annually and the Chairman shall communicate the results of the consideration including areas of development to the Chief Executive Officer.
 - (3) Approve the Chief Executive Officer's annual compensation and consider the results of the Chief Executive Officer's performance evaluation and other factors, including:
- 4.2.3 The Board of Directors will oversee the establishment of criteria and evaluation factors for the entire organization.



Principle 4.3 The Board of Directors shall understand the structure and relationship of shareholders that may affect the management of the Company and the authority to control the management of the Company in order not to hinder the performance of the Board of Directors and will ensure that information that may affect the Company's control is properly disclosed.

Principle 4.4 The Board of Directors will monitor and oversee the management and development of personnel to ensure that the number, knowledge, skills, experience, and motivation is appropriate and consistent with the direction and strategy of the organization.

Principle 5 Nurture Innovation and Responsible Business

Principle 5.1 The Board of Directors emphasizes and supports the creation of innovations that bring value to the business while creating benefits for employers or related parties while being responsible for society and the environment by promoting actions to add value to the Company in accordance with the constantly changing environmental conditions. This may cover the formulation of a business model, a way of thinking about the design and development of goods and services, analysis, improvement of production and work processes, as well as cooperation with partners.

In addition, the Board of Directors will focus on building a corporate culture and ensuring that the management is involved in strategic review, operational improvement planning, and performance monitoring.

Principle 5.2 The Board of Directors will monitor and ensure that the management operates business in a socially and environmentally responsible manner and that this is reflected in the operational plan to ensure that all departments of the organization operate in accordance with the objectives, main goals, and strategies of the Company, taking into account all stakeholders. There shall be a mechanism in place to ensure that the Company conducts business with ethics, is responsible for society and the environment, and does not violate the rights of stakeholders, to be a guideline for all parts of the organization to achieve the objectives and main goals in a sustainable way.

The Board of Directors has established guidelines for treatment of stakeholders as part of the Corporate Social Responsibility (CSR) and Code of Conduct policies and will disclose important, relevant, and necessary information to those stakeholders adequately, with credibility, and in a timely

manner. In this regard, the Board of Directors must recognize the importance of stakeholders and treat all groups of stakeholders including shareholders, employees, employers, business partners, the public and society as a whole in a transparent, appropriate, equitable, and fair manner, which covers the following matters:

- (1) Responsibilities towards employees and staff by complying with the relevant laws and standards, treating employees and staff fairly and respecting human rights, such as fair compensation and other benefits, providing welfare not less than that required by law or more as appropriate, caring for the occupational health and safety at work, providing knowledge training, potential development, and promoting progress as well as giving employees opportunities to develop skills in other areas.
- (2) Responsibilities towards employers by complying with relevant laws and standards, taking into account health, safety, fairness, retention of employer information, monitoring and measuring the satisfaction of employers for product and service improvements, and ensuring that advertising and public relations must be done responsibly without misleading or exploiting the misunderstanding of the employer.
- (3) Responsibilities towards business partners by providing a fair procurement processes and contract terms or agreements, helping to educate business partners, develop their capacity, and enhance their ability to provide services to standards, clarify and ensure that suppliers respect human rights and treat their own employees fairly, be responsible to society and the environment, including having rules for assessing and selecting trading partners for sustainable business development.
- (4) Responsibilities towards community by applying knowledge and business experience to develop projects that can benefit the community in a tangible way, where progress and long-term success are monitored and measured.
- (5) Responsibilities towards environment by preventing, reducing, managing, and ensuring that the Company does not create or cause adverse environmental impacts. The responsibilities cover areas such as energy consumption, water use, use of renewable resources, emissions and management of waste occurred from the business operation, greenhouse gas emissions, etc.

- (6) Fair competition by conducting business with openness and transparency and without creating anti-competitive practices.
- (7) Anti-fraud and corruption by complying with relevant laws and standards and requiring the Company to implement and announce anti-corruption policies to the public with plans to participate in private sector anti-corruption initiatives and certification programmes as well as encouraging other companies and partners to implement and announce anti-corruption policies.

Principle 5.3 The Board of Directors will monitor and ensure that the management allocate and manage resources in an efficient and effective manner, taking into account the impact and development of resources along the value chain in order to achieve sustainable objectives and goals. In this regard, there are at least four resources which the Company should have in mind, namely Financial Capital, Human Capital, Social and Relationship Capital, and Natural Capital.

Principle 5.4 The Board of Directors shall establish an organization-level IT governance and management framework that is in line with the Company's needs as well as to ensure that information technology is used to increase business opportunities and develop operations risk management so that the Company can achieve its objectives and main goals as follows:

- 5.4.1 The Board of Directors shall establish a policy on the allocation and management of information technology resources which covers the allocation of resources sufficient to operate the business and the determination of guidelines to support in the event that sufficient resources are not allocated as required.
- 5.4.2 The Board of Directors is responsible for ensuring the implementation of plans and guidelines for managing information technology risks.
- 5.4.3 The Board of Directors shall establish policies and measures to maintain the security of information systems. The framework for governance and management of information technology at the corporate level are:
 - (1) The Company has complied with the laws, rules, regulations, and standards related to the use of information technology.
 - (2) The Company has a security system for maintaining its confidentiality, integrity, and data availability, including a system to prevent the misuse of information or changes in the information without permission.



- (3) The Company has considered information technology risks and has measures to manage such risks in various aspects such as business continuity management, incident management, asset management, etc.
- (4) The Company has considered the allocation and management of IT resources, has identified the criteria and factors in determining the priorities of the IT program, such as the suitability of the strategic plan, the impact on the business, the urgency of its use, budget and human resources in information technology, and conformity with the business model, etc.

Principle 6 Strengthen Effective Risk Management and Internal Control.

Principle 6.1 The Board of Directors shall ensure that the Company has a risk management and internal control system that will effectively enhance the Company in achieving its objectives, and that the Company complies with relevant laws and standards as follows:

- 6.1.1 The Board of Directors shall understand the Company's principal and substantial risks and approve the risk appetite of the Company.
- 6.1.2 The Board of Directors shall consider and approve risk management policies that are consistent with the Company's objectives, main goals, strategies, and risk appetite. This serves as a framework for working in the risk management process for everyone in the organization to be in the same direction. The Board places importance on early warning signs and ensures that the risk management policy is reviewed regularly.
- 6.1.3 The Board of Directors shall oversee that the Company identifies its risks by considering both external and internal factors that may inhibit the Company's ability to achieve its set objectives. In this regard, the key risks that the Executive Committee will focus on may be divided into: Strategic Risk, Operational Risk, Financial Risk, and Compliance Risk, etc.
- 6.1.4 The Board of Directors will ensure that the impacts and likelihood of identified risks are assessed and prioritized, and that suitable risk mitigation strategies and plans are in place.
- 6.1.5 The Board of Directors will assign the Audit Committee to screen Article 6.1.1 – 6.1.4 before proposing to the Board for consideration as appropriate for the business.

- 6.1.6 The Board of Directors will regularly monitor and evaluate the effectiveness of risk management.
- 6.1.7 The Board of Directors is responsible for ensuring that the Company conducts its businesses in accordance with relevant laws and standards both locally and internationally.
- 6.1.8 For subsidiaries or other businesses in which the Company has invested significantly (for example, holding shares with voting rights from 20 percent but not more than 50 percent), the Board of Directors will assess the results of the internal control system and risk management as a part of the consideration under Article 6.1.1 – 6.1.7 as well.

Principle 6.2 The Board of Directors has appointed an Audit Committee of at least three members, all of whom must be independent directors and must not have any prohibited characteristics under relevant laws, including having qualifications and duties in accordance with the rules of the SEC and SET in order to be able to perform duties efficiently and independently. In this regard, the Board of Directors shall set out the duties of the Audit Committee in writing with at least the duties stipulated in the Audit Committee Charter, including giving opinions on the adequacy of the risk management system and internal control and disclose in the annual report.

Principle 6.3 The Board of Directors will monitor and manage any potential conflicts of interest between the Company, Management, Board of Directors, or shareholders, as well as prevent undue exploitation of the Company's assets, information, and opportunities, and transactions with those who are related to the Company in an improper manner as follows:

- 6.3.1 The Board of Directors shall oversee the establishment of an information security system that includes the formulation of policies and procedures on confidentiality, integrity, and data availability, including the management of market sensitive information. The Board will also ensure that its directors, senior management, and employees, as well as relevant external parties such as legal advisors, financial advisors, comply with information security systems.
- 6.3.2 The Board of Directors will ensure that transactions that may have conflicts of interest are managed and monitored, as well as ensure that there are guidelines and procedures for such transactions to be in accordance with the procedures and disclosures as stipulated by the law, and that it is mainly for the benefit of the

Company and shareholders as a whole. Any party who has a vested interest in a particular transaction will not be involved in the decision-making.

- 6.3.3 The Board of Directors shall set forth a requirement for directors to report their conflict of interests at least before considering the agenda of the Board meeting and recording it in the minutes of the Board meeting. Additionally, the Board shall ensure that directors who have a conflict of interest in relation to an agenda item abstain from being present for discussion of or voting on that agenda item.

Principle 6.4 The Board of Directors ensures that the Company has established a clear anti-corruption policy and practice by communicating to all levels of the organization and to external parties for practical implementation. Moreover, the Board shall establish a program or guidelines against bribery and corruption, including supporting activities that encourage and instill all employees to comply with relevant laws and regulations.

Principle 6.5 The Board of Directors has overseen the Company to have a mechanism to receive complaints and actions to take in case of receiving clues and set clear guidelines in the whistleblowing and complaints policy. In this regard, the channels for receiving complaints will be disclosed on the Company's website or annual report.

Principle 7 Ensure Disclosure and Financial Integrity

Principle 7.1 The Board of Directors is responsible for ensuring that the financial reporting and disclosure system is accurate, adequate, timely, in accordance with relevant rules, standards, and guidelines as follows:

- 7.1.1 The Board of Directors shall ensure that the personnel involved in the preparation and disclosure of information have the knowledge, skills, and experience appropriate to their responsibilities and the number is sufficient to the tasks. Such personnel include the Chief Financial Officer, accountant, Internal Auditor, Company Secretary, and Investor Relations.
- 7.1.2 In approving the disclosure of information, the Board of Directors shall take into account relevant factors. In the case of financial reports, at least the following factors will be considered:

- (1) The external auditor's opinion on the financial reports and the external auditor's observations on the internal control system, including the external auditor's observations through other communication channels (if any).
- (2) Consistency with objectives, main goals, strategies, and Company policies.

7.1.3 The Board of Directors will ensure that disclosures, including financial statements and 56-1 One Report, can adequately reflect the financial status and performance as well as encouraging the Company to prepare the Management's Discussion and Analysis (MD&A) to accompany the disclosure of quarterly financial statements. This is in order for the investors to acknowledge the information and have a better understanding of the changes that occur in the Company's financial status and performance in each quarter, apart from the information from numbers in the financial statements alone.

7.1.4 If there is any disclosure related to a specific director, that director shall ensure that his or her part of the disclosure is complete and accurate with information such as information on shareholders of their respective groups, disclosures in connection with shareholders' agreement of their group, etc.

Principle 7.2 The Board of Directors shall ensure that the management monitors and assesses the Company's financial status and reports to the Board on a regular basis and both parties shall work together to formulate a solution as soon as there are signs of financial liquidity and debt repayment problems. Furthermore, in approving any transaction or submitting an opinion to the shareholders' meeting for approval, the Board of Directors must ensure that such transaction will not affect business continuity, financial liquidity, or the ability to pay off debt.

Principle 7.3 In the event that the Company is experiencing financial difficulties or is likely to encounter difficulties, the Board of Directors shall ensure that the Company has a plan to resolve the issue or has other mechanisms to resolve the financial issue, with the consideration of the stakeholders' rights and reasonableness.

Principle 7.4 The Board of Directors shall consider and prepare a sustainability report as appropriate for disclosure of legal compliance, code of conduct, anti-corruption policy, employee, and stakeholders' treatment, which includes fair treatment and respect for human rights, as well as social and environmental responsibilities. Such information may be disclosed in the annual report or may be prepared in separate reports as appropriate.

Principle 7.5 The Board of Directors shall oversee the management to set up a unit or person responsible for investor relations to communicate with shareholders and other stakeholders, such as investors and analysts, appropriately, equally, and promptly. There shall be a communication policy and disclosure policy to ensure that communication and disclosure of information to third parties is appropriate, equitable, timely, and conducted through appropriate channels in a way that confidential information and information affecting securities prices is protected. Such policies shall be communicated to create the same understanding throughout the organization regarding compliance with the policy.

Principle 7.6 The Board of Directors shall promote the use of information technology in disseminating information. In addition to disseminating information in accordance with the specified criteria and through the channels of the Stock Exchange of Thailand, the Board shall arrange for disclosure of information in both Thai and English through other channels on a regular basis as well, such as the Company's website, and the information presented shall be up to date. In this regard, the Company shall disclose at least the following information on the Company's website:

- (1) The Company's vision and values.
- (2) Nature of the Company's business.
- (3) List of Board of Directors and Executives.
- (4) Financial statements and reports on the financial status and the company's financial and non-financial performance for current and previous year.
- (5) Downloadable 56-1 One Report and annual reports.
- (6) Any other information or documents presented by the Company to analysts, fund managers, or the media.
- (7) Direct and indirect shareholding structure.
- (8) Group structure including subsidiaries, affiliates, joint ventures, and special purpose enterprises/vehicles (SPEs/SPVs).
- (9) Group of major shareholders, both directly and indirectly, holding shares of at least 5% of paid-in capital with voting rights.
- (10) Direct and indirect shareholding of directors, major shareholders, and senior management.
- (11) Invitation letter to the Shareholders' ordinary and extraordinary Meetings .

- (12) Articles of Association of the Company and the Memorandum of Association.
- (13) Corporate Governance Policy, Anti-Corruption Policy, Information Technology Security Policy, and Risk Management Policy.
- (14) Charter or statement of duties and responsibilities, directors' qualifications, terms, and authority of the Board of Directors , and the Audit Committee.
- (15) Code of Conduct
- (16) Contact information, contact information for complaints, or persons responsible for investor relations, Company Secretary, such as the name of the person who can provide information, telephone number, and e-mail address.

Principle 8 Ensure Engagement and Communication with Shareholders

Principle 8.1 The Board of Directors shall ensure that shareholders are involved in the decision making of the Company's significant matters as follows:

- 8.1.1 The Board of Directors shall ensure that significant matters, both those set forth in the law and those that may affect the direction of the Company's operations, must be considered and/or approved by shareholders whereby such significant matters shall be included in the agenda of the shareholders' meeting.
- 8.1.2 The Board of Directors shall support the participation of shareholders, for instance:
 - (1) Establishing the criteria for minor shareholders to be able to propose additional agendas in advance of the meeting date, whereby the Board of Directors will consider including matters proposed by the shareholders as meeting agendas. In the event that the Board of Directors rejects the matter proposed by the shareholders to be included in the agenda, the Board of Directors will inform the reason to the shareholders' meeting for acknowledgment.
 - (2) Establishing criteria for minor shareholders to nominate persons to serve as director of the Company. In this regard, the Board of Directors will ensure that such rules are disclosed to shareholders in advance.

- 8.1.3 The Board of Directors shall ensure that the notice of the shareholders' meeting contains accurate, complete, and sufficient information for the shareholders to exercise their rights.
- 8.1.4 The Board of Directors shall ensure that the notice of the shareholders' meeting together with related documents is disseminated as well as published on the Company's website at least 14 days before the meeting date.
- 8.1.5 The Board of Directors shall allow shareholders to submit questions in advance of the meeting date by prescribing criteria for submitting questions in advance and publishing such criteria on the Company's website.
- 8.1.6 The notice of the shareholders' meeting and related documents shall be prepared fully in English and published together with the Thai version. The content contained therein shall be as follows:
- (1) Date, time, and place of the shareholders' meeting.
 - (2) Agenda of the meeting, by stating whether it is an agenda for acknowledgment or approval, including separating into topics clearly. For example, in the agenda relating to directors, the election of directors and the approval of directors' remuneration are separated for each agenda.
 - (3) Objectives and reasons, and Board of Directors' opinions concerning each agenda item, including as follows:
 - a. Agenda for approval or refrain of dividend payment: – dividend payment policy and proposed dividend payment rate with reasons and supporting information. In the case of a proposal to refrain from paying dividends, there shall be explanation of reasons with supporting information.
 - b. Agenda for appointment of directors – specify the name, age, educational and working background, number of listed companies and other companies holding directorships, criteria and methods of nomination, and type of proposed directors. In the case of nominating the former director to be re-elected, specify the attendance of the previous year's meeting and the date of original appointment as a director of the Company.

- c. Agenda for approval of directors' remuneration – policies and criteria for determining the remuneration of directors for each position and all forms of directors' remuneration, both monetary and non-monetary.
 - d. Agenda for appointment of external auditors– name of auditors, name of auditor's audit firm, work experience, auditor independence, audit and non-audit fees.
- (4) Proxy form as prescribed by the Ministry of Commerce.
 - (5) Other supporting information such as voting procedures, voting count and verification of voting result, voting rights of each type of share, information of independent directors proposed by the Company as proxy from shareholders, documents to be presented by shareholders before attending the meeting, documents supporting the proxy, a map of the meeting venue, etc.

Principle 8.2 The Board of Directors shall ensure that the proceedings on the shareholders' meeting date are orderly, transparent, efficient, and allow shareholders to exercise their rights as follows:

- 8.2.1 The Board of Directors determines the date, time, and venue of the meeting by taking into account the convenience of the shareholders, such as the meeting time that is suitable and sufficient for discussion, the meeting place is convenient to travel to, etc.
- 8.2.2 The Board of Directors shall ensure that there is no action that restricts the opportunity to attend the meeting or creates an excessive burden on the shareholders; for example, the Board shall not require shareholders or proxies to bring more documents or evidence than those specified in the guidelines of relevant regulatory bodies.
- 8.2.3 The Board will promote the adoption of technology for shareholder meetings including shareholder registration, vote counting and displaying, so that meetings can be conducted quickly, accurately, and precisely.
- 8.2.4 The Chairman of the Board is the Chairman of the shareholders' meeting, responsible for ensuring that the meeting complies with the relevant laws, rules, and regulations of the Company, allocating time for each meeting agenda set in the notice of the meeting appropriately and providing opportunities for shareholders to express their opinions and ask questions to the meeting on matters related to the Company.

- 8.2.5 In order for shareholders to be able to make decisions on significant matters, directors as attendees and as shareholders should not encourage unnecessary addition to agenda items that have not been notified in advance, especially significant agenda that shareholders need time to study the information before making a decision.
- 8.2.6 All directors and related executives are encouraged to attend the meeting so that shareholders can ask questions on relevant issues.
- 8.2.7 Prior to the commencement of the meeting, shareholders should be informed of the number and proportion of shareholders attending the meeting in person and by proxy, method of meeting, voting, and vote counting.
- 8.2.8 In the event that any agenda contains multiple items, the Chairman of the meeting may arrange to vote separately for each item, for example, shareholders exercise their right to appoint individual directors in the agenda of appointing directors, etc.
- 8.2.9 The Board of Directors should encourage the use of ballots for significant agenda items and encourage independent party to count or verify votes at meetings and disclose the results of approving, disapproving, and abstaining from voting on each agenda item to the meeting for acknowledgment and recording in the minutes of the meeting.

Principle 8.3 The Board of Directors shall ensure that the disclosure of meeting resolutions and the preparation of the minutes of the shareholders' meeting are accurate and complete. The Company shall disclose the resolutions of the shareholders' meeting together with the voting results within the next business day via the designated SET channels and on the Company's website. A copy of the minutes of the shareholders' meeting shall be submitted to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting and the minutes of the shareholders' meeting shall contain at least the following information.

- (1) Attendance of directors, executives, and the proportion of attending directors.
- (2) Voting and vote counting methods, meeting resolutions, and voting results (approved, disapproved, abstained) for each agenda.
- (3) Questions, and answers at the meeting, including the name-surname of the questioner and the person providing answers.

From the date of May 15, 2020, onwards.



Announced on May 15, 2020.

(Signed)

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(Mr. Chaiwat Utaiwan)

Chairman of the Board

Securities and Exchange Act B.E. 2535 (1992) (as amended)

Part 2

Duties and responsibilities of directors and executives

Section 89/7. In conducting the business of the Company, a director and an executive shall perform their duty with responsibility, due care, and loyalty, and shall comply with all laws, the objectives, the articles of association of the Company, the resolutions of the Board of Directors and the resolutions of the shareholders' meeting.

Section 89/8. In performing duty with responsibility and due care, a director and an executive shall act in the similar manner as an ordinary person undertaking the like business under the similar circumstance.

Any matter proven by the director or executive that, at the time of considering such matter, their decision has met the following requirements shall be deemed that the said director or executive has performed his duty with responsibility and due care under the first paragraph:

- (1) Decision has been made with honest belief and reasonable grounds that it is for the best interest of the Company;
- (2) Decision has been made in reliance of information honestly believed to be sufficient; and
- (3) Decision has been made without his conflict of interest, whether directly or indirectly, in such matter.

Section 89/9. In considering whether each director or executive has performed his duty with responsibility and due care, the following factors shall be taken into account.

- (1) Position in the Company held by such person at that time;
- (2) Scope of responsibility in the position of such person in accordance with the laws or as assigned by the Board of Directors and;
- (3) Qualification, knowledge, capability, and experience including purposes of appointment.

Section 89/10. In performing duty with loyalty, a director and an executive shall:

- (1) Act in good faith for the best interests of the Company;
- (2) Act with a legitimate and appropriate purpose; and



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- (3) Not act in any way that is in conflict with the Company or in conflict with the interests of the Company in a significant way.