




Civil Engineering Public Company Limited

Company regulations

Subject

Company Director's Manual

(Amended no. 1/2564)

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This Company Director's Manual is the copyright of Civil Engineering Public Company Limited and its group companies. It has been written with the aim of striving to develop the corporate governance system to be in accordance with the good corporate governance principles issued by the Securities and Exchange Commission.

The Board of Directors should strictly comply with the guidelines specified in this Company Directors' Manual.

In order to keep the Company Director's Manual up-to-date, appropriate to the circumstances and changes, the Company Director's Manual is required to be reviewed at least once a year. Any amendments must be approved by the Board of Directors only.


(Signed)

.....

( Mr. Chaiwat Utaiwan )


Chairman



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## 1. Principles and Reasons

The Board of Directors, as the Company's leader or the person carrying the greatest responsibilities, and a representative of the shareholders, has duties and responsibilities in overseeing the Company's operations in accordance with the Company's objectives and goals as well as in safeguarding the interests of shareholders and complying with laws and regulatory requirements. Therefore, the Board of Directors shall perform their duties with care, prudence, honesty, and transparency by taking into account the interests of the Company as the key to create added value for the business and shareholders.

The Company has summarized key principles concerning directors from the criteria, rules, regulations, and announcements of the Stock Exchange of Thailand ("SET") and the Office of the Securities and Exchange Commission ("SEC") so that directors can use them as principles and guidelines in their duties and responsibilities correctly.

## 2. Objectives

To be a guide in the performance of duties of the Board of Directors.


## 3. Scope

Applicable to the directors of Civil Engineering Public Company Limited.

## 4. Board of Directors Structure

### 4.1 Composition

- 1) The Board of Directors consists of a minimum of five members.
- 2) The shareholders' meeting shall appoint and remove the members of the Board of Directors in accordance with the Company's Articles of Association and the rules of relevant laws.
- 3) The Board of Directors must consist of independent directors at of least one-third of the total number of directors but not less than three people. Independent directors must be independent and possess full qualifications according to the qualifications of independent directors as stipulated in the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 Re: Application and Approval for Offer for Sale of Newly Issued


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Shares (As amended) (“Announcement TorJor. 39/2559”) and have the scope of duties and responsibilities according to the requirements announced by SET.

- 4) Not less than half of all directors must reside in Thailand.
- 5) The Company's directors may or may not be shareholders of the Company.
- 6) The structure of the Board of Directors consists of qualified persons with knowledge and competence in a wide range of professional skills with specific experience and expertise that are beneficial to the business operations of the Company and its subsidiaries irrespective of gender, race, religion, age, or professional skills.
- 7) The Board of Directors shall elect and appoint a director to be the Chairman of the Board. In the case where the Board deems it appropriate, one or more directors may be elected to be the Vice Chairman. The Vice Chairman shall perform duties as assigned by the Chairman.
- 8) The Chairman of the Board must not be the same person as the Chief Executive Officer in order to have clear separation of roles and to ensure checks and balances in the operation.
- 9) The Board of Directors shall elect and appoint one director as the Chief Executive Officer by a majority vote.

#### 4.2 Board of Director's Qualifications

- 1) Directors must be natural persons and *of legal age*, possess all qualifications and not have any prohibited characteristics under the Public Company Limited Act, B.E. 2535 (1992) (including any amendments thereto) (“Public Company Act”), Securities and Exchange Act, B.E. 2535 (1992) (including any amendments thereto) (the “Securities Act”), as well as any relevant announcements, regulations, and/or rules, including not having characteristics indicating lack of suitability to be entrusted as a director or an executive according to provisions of the Securities and Exchange Commission and/or the Capital Market Supervisory Board.
- 2) Directors must have the knowledge, abilities and experiences that will benefit the business operation. The person shall display honesty and integrity, business ethics, and


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have sufficient time to devote their knowledge and abilities to perform duties for the Company and its subsidiaries in full capacity.

- 3) Directors should hold directorships of no more than five listed companies (including the case of being approved to be appointed as a director of the Company). A director can hold a directorship in other companies, provided that being a director does not impede their performance as a director of the Company and must be in accordance with the guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand.

#### 4.3 Tenure and retirement

- 1) Directors have an office term of three years and those retired by rotation may be reelected to resume their duties in the position.
- 2) The Company's independent director shall have a term of office that is no longer than nine years, unless there is a justifiable reason.
- 3) At every Annual General Meeting, one-third of the number of directors at the time shall retire from office. If the number of directors cannot be divided exactly into three, the number closest to the one-third ratio shall be retired. Directors who must retire from office in the first and second year after the registration of the company shall be drawn by lot. In the following years, the director who has been in office for the longest time shall vacate office and the retiring director may be reelected to the position.
- 4) In addition to vacating office upon the expiration of the term, a director vacates office upon:
  - (1) Death
  - (2) Resignation by submitting a resignation letter to the Company. The resignation will be effective from the date the original letter arrives at the Company. The resigned director may also notify the Registrar of his/her resignation.
  - (3) Lack of qualifications or having prohibited characteristics under the law on public limited companies, the law on securities and exchange, or other relevant criteria.
  - (4) The shareholders' meeting passed a resolution to be dismissed by a vote of not less than three-fourths of the number of shareholders attending the meeting and

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having the right to vote and holding shares of not less than one-half of the number of shares held by the shareholders attending the meeting and having the right to vote.

(5) Vacate according to Court order.

- 5) In the event that a director's position becomes vacant for reasons other than the expiration of the term, the Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics under the law on public limited companies, the law on securities and exchange, and other relevant rules to be a replacement director at the next Board of Directors' meeting unless the remaining term of that director is less than two months. The person who is appointed as a replacement director will be in the position of director only for the remaining term of the director that he/she replaces. In this regard, the resolution of the Board of Directors as stated above must consist of votes of not less than three-fourths of the number of remaining directors.

#### 4.4 Authorized Director


Directors authorized to bind the Company shall be in accordance with the conditions of binding the Company according to the Company's registration certificate. The Board of Directors has the power to determine and amend the name of the director authorized to sign for the Company.

### 5. Duties and Responsibilities of the Board of Directors

The Company defines the duties and responsibilities of the Board of Directors as follows:

1. The Board of Directors must provide a short-term strategic plan that represents clear and measurable goals and a long-term strategic plan that outlines the vision and idea of the Company's overall business and its future as well as having the executives evaluate the performance regularly and bring the deviant performance to present to the Board of Directors. It shall also require the executives to provide other useful information in planning and formulating policies to the Board for analysis of problems, causes, and decision making to improve the strategy or business plan accordingly.




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2. The Board of Directors shall establish policies and guidelines for the executives to implement both short-and long-term strategic plans, and create clarity about the direction of business operations and use it as a communication tool between the Board of Directors and the executives. The policies set should be flexible and adaptable to the business situation and must cover all business functions. Once the Board has formulated the policies for the Company and its subsidiaries, it should provide a clarification or have a system for transferring information to personnel at all levels of the organization to create a consistent understanding and ensure that operations are consistent with the policy set. In this regard, the policies shall be reviewed and amended from time to time in order to keep up with the changing events.
3. The Board should determine the criteria and methods for selecting executives to recruit competent personnel to work in order to operate in accordance with the established policies and goals. In considering the selection of an executive, the Board of Directors may appoint sub-committees to perform such task.

In addition to the selection of executives, the Board of Directors also has a role in clearly defining the scope of duties and powers of the executives as well as evaluate the performance of the executives which should be defined in clear and concrete criteria and indicators. The Board of Directors should communicate to the executives of the expectations and communicate the results clearly and honestly.

4. The Board may consider appointing sub-committees as seen appropriate, based on the size and business conditions of the organization to help alleviate the Board of Directors' burden in areas requiring review or detailed study. In appointing sub-committees, the Board of Directors should clearly define the objectives, duties, responsibilities, and powers of the sub-committees. Additionally, in order for the sub-committee to be able to operate effectively and efficiently, the Board of Directors should require the executives to provide support both in terms of information and personnel to the sub-committees, including allowing them to contact or seek advice from third parties as appropriate whereby the expenses shall be under the Company's account.


In this regard, the Board should require that a report on the performance of all sub-committees be prepared and submitted to the Board on a regular basis for regular follow-up on the assigned tasks.

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5. Although the Board has delegated day-to-day management duties to the executives, however, the Board of Directors also has the responsibility to oversee and monitor the general operations of the Company, its subsidiaries, associates, and joint ventures under the laws, objectives, regulations, and relevant rules, including the resolutions of the Board of Directors meeting as well as the resolutions of the shareholders' meeting for effective monitoring. The Board should be aware of the operating conditions of the Company, its subsidiaries, associates, and joint ventures at all times, including internal and external factors that may affect the organization, and should seek knowledge of business trends to be able to adjust policies or strategies in accordance with the changing environment.

The Board should also require the executives to submit reports on the operations of the Company, subsidiaries, associates, and joint ventures on a regular basis, including market trends, rules and regulatory changes, and other information that can assist the Board in planning and formulating policies, or in governance.

6. The Board should oversee risk management, ensure that the executives are aware of the risks that may arise and that there are adequate and appropriate risk management systems and tools. The Board should approve the Group's risk management action plan developed by the executives and require it to be implemented, analyzed, and assessed the appropriateness of the action plan on a regular basis. The Board of Directors may assign the executives or sub-committees to perform such duties.
7. The Board should ensure that the Company and its subsidiaries comply with the laws and regulations relevant to the Company's business, including the Group's internal policies and procedures.
8. For transparency in the operations of the Group, the Board of Directors should ensure that there is regular communication between the Company, its shareholders, and other stakeholders by ensuring that the executives disclose important information accurately and in a timely manner. Therefore, the Board shall establish a system to ensure that the information disclosed is correct, complete, in a timely manner, and in accordance with relevant laws and regulations.

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9. In the performance of duties, directors must perform their duties with responsibility and caution as a prudent businessperson should act under the same circumstances for the best interests of the Company and its shareholders.
  10. Ensuring that the Company implements appropriate and efficient accounting, financial reporting, and auditing systems, including providing adequate and effective internal control systems and internal audit systems as well as provide a process for assessing the suitability of the Company's and its subsidiaries' internal control systems on a regular basis.
  11. Consider and approve the selection and nomination of auditors and consider the appropriate remuneration as proposed by the Audit Committee before proposing to the Annual General Meeting of Shareholders for approval, and not interfere with the professional performance of the Company's auditors. In the event that the Company's auditor withdraws or is dismissed, the reason should be notified to the SEC and SET in accordance with the relevant laws and regulations.
  12. Review, examine, and approve the vision, policy, direction, strategy, and business plan of the Company as prepared by the Executive Committee and Management at least once a year to suit the economic, market, and changing competitive conditions.
  13. Establish and comply with the Company's corporate governance policy in accordance with the written good governance and encourage communication to everyone in the Company to be informed and adhere to with seriousness, such as the Anti-Corruption Policy, Whistleblowing Policy, and Insider Policy, as well as overseeing the effective implementation of such policies to ensure that the Company is responsible for all stakeholders with fairness.
  14. Appoint the Company Secretary and define the scope of duties of the Company Secretary to be responsible for various operations on behalf of the Company or the Board of Directors such as preparing and keeping the registration of directors, meeting notice and minutes of the Directors' meeting, shareholders' meeting notice and minutes, keeping conflict of interests report, etc.
  15. To consider and/or give opinions on connected transactions between the Company, subsidiaries, associated companies, and connected persons as prescribed in the Securities Act, including related regulations of the Stock Exchange of Thailand and Capital Market Supervisory Board.
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16. Directors and executives of the company have a duty to inform the company of the relationship, shareholding or debentures in the company, subsidiaries, or associates, and the transactions of directors and executives of the Company including that of the related persons of such directors and executives with the Company or its subsidiaries in a manner that may cause conflicts of interest accurately, completely, and appropriately, and in a timely manner, as well as to avoid making transactions that may cause conflicts of interest with the Company or its subsidiaries.
17. Provide a charter of the Board of Directors and sub-committees, as well as amend the charter of the Board of Directors and approve the proposal of the sub-committees to modify the content of the charter to be current and appropriate with the rules, regulations, and changing circumstances.
18. Establish a succession plan for the Company's top executives.
19. To perform any other duties related to the Company's business as assigned by the shareholders.

## 6. Board of Directors' Meeting

- 6.1 The Board of Directors shall hold meetings as appropriate to the duties, responsibilities, and nature of the Company's business at least once every three months. Meeting dates shall be set in advance throughout the year to ensure that all directors are able to allocate meeting time in unison.
- 6.2 In summoning a meeting of the Board of Directors, the Chairman of the Board or a person so entrusted shall send a meeting notice to the Board members at least seven days before the meeting date, except in case of urgency. In order to maintain the rights and benefits of the Company, the meeting may be called by other methods and the meeting date may be set earlier.
- 6.3 If two or more directors request a meeting of the Board of Directors, the Chairman of the Board shall determine the meeting date within 14 days from the date of receiving the request.
- 6.4 In the event that the Chairman of the Board is not an independent director, the Board of Directors will appoint an independent director to participate in determining the agenda of

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the Board of Directors' meeting in order to comply with good corporate governance principles for listed companies.

- 6.5 At a meeting of the Board of Directors, not less than half of the total number of directors must be present in order to constitute a quorum, and the Chairman of the Board shall act as the Chair of the meeting. In the event that the Chairman is not present at the meeting or is unable to perform his duties, if the Vice Chairman is present, the Vice Chairman shall preside over the meeting. However, if there is no Vice Chairman or they are not present at the meeting or unable to perform the duties, the members present shall elect one among themselves to preside over the meeting.

The Board of Directors meeting can be held via electronic media according to the conditions, procedures, and methods prescribed by law.


- 6.6 In casting a resolution at a meeting of the Board of Directors, the resolution of the Board of Directors shall be made by a majority of votes, with one director having one vote each. Directors who have conflict of interests in any agenda will not attend the meeting and nor exercise their right to vote in that agenda. In the event that the votes are equal, the Chair of the meeting shall have one more vote as a decisive vote.
- 6.7 The Company will record the minutes of the Board of Directors' meeting and collect certified documents for reference and review. In every meeting of the Board of Directors, the Company will arrange for executives and related persons to attend the meeting to provide information and details to support accurate and timely decision making.

## 7. Board of Directors Evaluation

The Company will arrange an annual evaluation of the Board of Directors' performance by both group and individual assessments in order to improve the performance to achieve maximum efficiency for shareholders and the organization. The criteria, procedures, and overall assessment results will be disclosed in the annual report.

## 8. Reporting of the Board of Directors

- 8.1 The Board of Directors is responsible for reporting financial and general information to shareholders and general investors accurately, completely, and transparently, with

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reasonable explanations and supporting figures in terms of operating results, policies, and future trends, as well as the successes and obstacles of the Company.

- 8.2 The Board of Directors should prepare a report showing the Board's responsibility for the preparation and disclosure of the Company's financial reports and present it in the annual report.
- 8.3 The Board of Directors should disclose compliance with good corporate governance principles as prescribed by the SEC and SET.

## 9. Remuneration

The Board of Directors shall establish and implement policies regarding monetary and non-monetary compensation whereby the compensation consideration process must be transparent and suitable for duties and responsibilities and equal to the standards of the same business. The rate of remuneration for the Board of Directors must be approved by the shareholders' meeting.

## 10. Development and training of the Board of Directors

- 10.1 When a new director takes the position of a Company Director, the Company Secretary will coordinate in organizing the orientation of the new Company Director so that he/she will be informed of information related to the Company in terms of background, nature of the business operations, shareholding and management structure, and other necessary matters, including conducting a site visit of the business.
- 10.2 The Company attaches importance to the training of the Board of Directors. If there is a course that is important and will benefit the directors, the Company Secretary will inquire with the directors of their intention to attend the training and arrange for participation as necessary and appropriate.