



Corporate Governance Handbook

The International Engineering Public Company Limited

If there is any message or content in this document conflicts with the original Corporate Governance Handbook in Thai version, please refer to Thai version as a proper one.

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IEC's Good Corporate Governance Policy

The International Engineering Public Company Limited (IEC) is a publicly listed company in the Stock Exchange of Thailand (SET). We have prolonged experience in business operations and continue our longstanding commitment to taking into account the benefits of all stakeholders. In order to reach the sustainable and graceful accomplishment, IEC, including all staff members, must be valued and trusted by all stakeholders, based on the good corporate governance principle.

The Company, therefore, makes every effort to ensure the establishment and implementation of the good corporate governance with the aim to enable the Board of Directors, executives and employees, to comprehend and conduct their business in accord with their roles and responsibilities as well as to comply with the code of business ethics and policies stated in IEC's Good Corporate Governance Handbook.

To achieve the above objective, IEC personnel at all levels shall sign to acknowledge and demonstrate a mutual commitment to compliance with IEC's good corporate governance.



(Dr. Bhusana Premanode)

Chairman and Group President

Instructions for Use of IEC's Good Corporate Governance Handbook

1. Study, understand and adhere to the content of this Good Corporate Governance Handbook.
2. Study, understand and adhere to the content related to your duties and responsibilities.
3. Review the content of this Handbook regularly and continually.
4. Advise others the content of this Handbook when their works may be associated with the Company or have a potential impact on the Company.
5. When in doubt or have questions, consult your supervisors or a person authorized by the Company to be in charge of monitoring the compliance with IEC's good corporate governance.
6. Inform the supervisors or the person in charge when notice any violation of, or noncompliance with, IEC's good corporate governance.
7. Cooperate in any investigation with the authorized agency or person.
8. IEC supervisors at all levels shall perform as a leader in compliance with the good corporate governance as well as provide a working environment to ensure that the employees and all involved parties understand the compliance with IEC's good corporate governance.

Compliance and Monitoring System

IEC expects that it is the duty and responsibility of all directors, executives and employees to acknowledge and abide by the policies and code of conducts stated in IEC's Good Corporate Governance Handbook. The management at all levels must take responsibility and keep in mind that it is important to encourage employees under supervision to understand and adhere to IEC's Good Corporate Governance Handbook strictly.

IEC will not take any action that is illegal or in conflict with IEC's good corporate governance. Should a director, executive or employee be found to violate IEC's good corporate governance as stated herein, IEC shall take disciplinary action firmly. In addition, should there be any action that is believed to be the violation of law, rules and regulations of the government, IEC shall refer the matter to the authorities for further action as appropriate as follows:

- 1) Is such action against the law?
- 2) Is such action against IEC's policies and code of business ethics? Does it adversely affect the image of IEC?
- 3) Does it severely and adversely affect IEC's stakeholders?

Regarding this subject matter, should any IEC employee find any violation of law and/or good corporate governance, he or she shall report such misconduct or file a complaint to the Corporate Governance Committee and/or the Chairman for further investigation. Whistleblowers will be kept confidential and safeguarded to protect them from any potential impact. Details of measures for whistle-blowing and whistleblower protection mechanism are as prescribed in Section 3, Clause 1.7.

IEC's Good Corporate Governance

Principle of Good Corporate Governance

Corporate governance, or good governance, is defined by SET as a set of structures and processes of the relationships between a company's board of directors, management and shareholders to enhance the company's competitiveness, growth and long-term shareholder value, by taking into account the interests of other stakeholders of the company.

The principles of good corporate governance for listed companies consist of the principles themselves and the recommended best practices. Nonetheless, the issues concerning good corporate governance that have already been clearly specified in laws and regulations are not included. The principles and the recommended best practices are presented in 5 sections, namely:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board of Directors

Each section is divided into 2 parts, as follows:

1. The principles: cover all important issues concerning good corporate governance that listed companies should comply with; and
2. The recommended best practices: offer supplementary descriptions or means to enable companies to implement the principles stated in the first part.

In order to put the principles of good corporate governance into practice, listed companies should:

1. Comply or explain

The boards of directors and management teams of listed companies should best comply with the principles that can be adapted by each company to best fit the individual firm's functional needs. If they could not comply with any principles, they should explain thoroughly the reasons for not doing so or give alternative measures to be used by the company.

2. Disclose implementation

Disclosure of the implementation of the principles of good corporate governance to shareholders, investors, stakeholders, and other parties is an important responsibility of listed companies. The

companies are requested to start disclosing their implementation of the principles in their annual statements (Form 56-1) as well as their annual reports.

Therefore, IEC has defined our system for the compliance and disclosure of IEC's implementation according to the aforementioned principles of good corporate governance, with details and content as follows.

Section 1 Rights of Shareholders

Principles:

- Shareholders are entitled to exercise their ownership rights in controlling IEC by appointing the Board of Directors to act as their representatives.
- Shareholders are eligible to make decisions on any significant changes to be made by IEC.

Best Practices:

Because IEC recognizes and values the rights of shareholders, we have set up the following best practices to avoid any action that violates those rights.

1. Shareholders' meeting

- 1.1 IEC shall publicly disclose policies to support or encourage all shareholders, especially the institutional ones, to attend the shareholders' meeting.

IEC shall inform the shareholders in the notice of the invitation to annual general meeting with the date, time, and venue clearly, together with all agenda as well as the rationale or explanation for each agenda as written in the notice of invitation to annual general meeting or extraordinary general meeting.

- 1.2 In holding the shareholders' meeting, IEC shall arrange the meeting venue with suitable capacity to adequately support the shareholders. Adequate time should be allotted appropriately. IEC shall encourage shareholders to ask questions related to the Company's operations. Shareholders should be allowed to send in their questions prior to the meeting date and they should be clearly informed in advance of the criteria for accepting advance questions and the process for submitting them. This should be delivered to the shareholders together with the notice of the invitation to annual general meeting. In addition, the criteria for submitting and accepting advance questions shall also be disclosed on the Company's website.
- 1.3 The minority shareholders should be allowed to nominate candidates from qualified persons for directorships prior to the annual general meeting in accord with the criteria for the nomination of the Board of Directors.
- 1.4 IEC shall facilitate the shareholders to fully participate and cast their votes in the meetings. Any action that could hinder shareholders from conveniently exercising their right to attend the meetings should be avoided. For example, procedures to attend and vote should not be complicated or costly for shareholders, and the meeting location should be easy to reach, etc.

2. Procedures on the date of the shareholders' meeting

- 2.1 IEC shall promote the use of technology in the shareholders meeting, including recording attendee registration, processing voting and displaying results so that the meeting can be conducted in a fast, precise, and accurate manner.
- 2.2 All directors, including the members of sub-committees and corporate secretary, shall attend every shareholders' meeting if not on a critical mission to answer questions and receive comments posted by the shareholders. In addition, all executive members shall attend the shareholders' meetings to answer the questions of their respective responsibilities.
- 2.3 All shareholders shall be entitled to attend the shareholders' meetings. In the meeting, they should be able to ask questions and give opinions to the meeting according to the agenda of each meeting. The chairman of the meeting shall allocate adequate time for discussion and encourage shareholders to express their opinions and ask questions to the meeting.

3. Writing the minutes of shareholders' meetings and releasing the resolutions

- 3.1 The minutes of shareholders' meetings shall include a description of the voting and vote tabulation procedures used, declaring both before the meeting proceeds, including an opportunity for shareholders to ask questions or raise issues. In addition, questions and answers, resolutions, voting results of each agenda containing approving, dissenting, and abstaining votes, as well as list of the board members in presence or absence from the meetings shall also be included.
- 3.2 IEC shall make publicly available the result of voting during the annual general meeting or extraordinary general meetings for all resolutions.

Section 2 Equitable Treatment of Shareholders

Principles:

- All shareholders, including those with management positions, non-executive shareholders and foreign shareholders should be treated fairly and equally.
- IEC shall ensure that all shareholder rights are protected and that they all get fair treatment.
- IEC shall ensure that minority shareholders whose rights have been violated should be redressed.

Best Practices:

IEC has established best practices to ensure that all shareholder rights are protected and that they all get fair treatment in order to reassure the investment with the Company as follows.

1. Release of information before the shareholders' meeting

1.1 IEC shall protect all shareholder rights and treat all shareholders fairly and equally. All shareholders shall have the rights to receive information or document in Thai or English.

1.2 IEC shall ensure that the Company releases the notice of invitation to the annual general meeting, with detailed agenda and explanatory circulars, to the shareholders at least 28 days before the date of the meeting. The company's notice of shareholders meeting shall be made in English and published at the same time as the Thai version on the Company's website.

2. Protection of minor shareholders

2.1 IEC shall encourage the minority shareholders to propose any agenda and screen those proposed by them in advance of the meeting date, or to nominate candidates for directorships prior to the meeting date at least 45 days. Regarding this, the propose of additional agenda or the nomination of candidates for directorships shall be subject to the law and the Company's Articles of Association.

3. Protection against abuse of inside information

IEC shall stipulate that every director and executive should regularly report to the Board of Directors and submit such report on their ownership of the legal securities and this information should be disclosed in the Company's annual report.

4. Conflicts of interest by directors

IEC shall establish a policy requiring that directors having conflicts of interest in consideration of each agenda abstain from participating in the board discussion on a particular agenda.

Section 2 Role of Stakeholders

Principles:

- Stakeholders should be treated fairly by the Company in accord with their legal rights.
- IEC shall provide mechanisms to promote cooperation between the Company and its stakeholders in order to create wealth, financial stability and sustainability of its business operations.
- IEC shall establish measures to accept any complaints, opinions and concerns, including whistle-blowing procedures to communicate any illegal or unethical practices that may lead to misconduct of the Company's employees and other stakeholders.

Best Practices:

IEC oversees and takes into account the rights of all stakeholders that are established by law or through mutual agreements. Regarding this, IEC has set clear policies on fair treatment for each and every stakeholder as working guidelines for IEC employees at all levels to respect and consider as their significant duty and responsibility as follows.

1. Setting policies affecting stakeholders

- 1.1 IEC shall classify the stakeholders as, but not limited to: shareholders, suppliers, competitors, consumers, employees, partners, debtors, creditors, the community and relevant authorities, both public and private sector. Regarding this, IEC shall provide adequate channels to communicate the needs of all stakeholders and response by the Company for each group of stakeholders.
- 1.2 IEC shall be committed to stipulate the Company's systematic efforts to address customer health, safety, and indemnification across the life cycle of a product or service.
- 1.3 IEC shall establish a corporate social responsibility unit to elaborate the Company's systematic, consistent efforts to interact with the communities in which we operate. In addition, the Company's plan to protect environment and maintain safety is set up for the Company's business operations, especially if IEC operations produce an adverse effect on the environment. IEC shall have an appropriate plan for responding to accidents and shall prepare sustainable remedial plans to protect the environment including good compensation plans. Moreover, IEC shall use European standards for plant construction to ensure that IEC's value chain is environmentally friendly and resource utilization is effective and efficient.
- 1.4 IEC has a commitment to its creditors by setting out policy on non-infringement of creditors' rights with mutual agreements as appropriate and as principles for general trade practices.
- 1.5 IEC has signed a partnership against infringement and corruption and communicate with IEC employees about the importance. In addition, IEC supports activities that promote and raise the awareness of IEC employees to compliance with relevant laws and regulations.

- 1.6 IEC shall consider the welfare of all employees. Their employment contracts shall be fair. Reasonable remuneration shall be appropriate to the employee's capability and maintaining their motivation. Training and development shall be provided to enhance the performance of employees. IEC shall maintain a high standard of safety and a disciplined work environment, including an even and caring supervision. An appropriate remedial plan shall be drawn up if, under any circumstances, any IEC employee must cease working for the Company.
- 1.7 In order to ensure the fair and equitable treatment of all stakeholders in accord with the principles of good corporate governance, IEC shall provide channels for the submission of whistle-blowing, complaints, opinions, or suggestions, showing that the stakeholders are affected, or at risk of potential impact, that may cause damages to all groups of stakeholders, caused by the Company's business operations, or by IEC employees' work, concerning illegal or unethical actions, including any behavior that may indicate a corruption, inequitable treatment, or an act of negligence and indiscretion. Whistle-blowing shall be sent via the Company's website or by email to CGCommittee.iec@gmail.com.
- 1.8 IEC shall ensure that the stipulation of treatment of trade partners policy shall be in accord with the universal principles, under the law on trade competition, and adhere to the rules of fair competition and not hinder others from participating in the competition.

Regarding this, IEC shall conduct an investigation according to the procedures and document the investigation records by safeguarding the whistleblower identity and keeping the whistle-blowing confidential to protect the whistleblower from any potential impact.

2. Disclosure of policy implementation and corporate social responsibility

IEC shall disclose the activities undertaken to implement the above policies and corporate social responsibility (CSR) by adding them into the Company's annual report.

Section 4 Disclosure and Transparency

Principles:

The Board of Directors shall ensure that all important information relevant to the Company, both financial and non-financial, is disclosed accurately, completely, on a timely and transparent basis through channels as specified in regulations of the SET, including annual statements (Form 56-1), and other channels, such as the Company's website. The disclosure should be made both in Thai and English and regularly updated so that the information is up-to-date.

Best Practices:

Disclosure of information is one of the indicators to measure transparency of the operation. It is a key factor to build confidence among investors, showing the integrity of the Company's operations, and can be used as a mechanism to monitor the implementation. IEC, therefore, has established best practices to ensure the disclosure and transparency as follows.

1. Information disclosed on the Company's website includes:
 - IEC's vision and mission;
 - IEC's business operations; and
 - Other important information as specified in the regulations of the SEC.
2. IEC shall make available the accurate, transparent and clear information system with concise and easy-to-understand language. IEC shall also ensure that important information, including a Management Discussion and Analysis (MD&A), is disclosed to investors for their decision-making for each quarterly financial statement, to help investors better understand changes in the company's financial status and performance in each quarter.
3. The Board of Directors shall provide a report of the Company's good corporate governance implementation, code of business ethics or conduct, risk management policy, and corporate social responsibility policy, together with actions taken to implement such policies and identification of and reasons for each case of non-compliance through various channels, such as the annual reports and the Company's website, etc.
4. The Board of Directors shall present the company's financial status reports alongside the auditor's report in the understandable summary. The Board shall also ensure that its roles and responsibilities, together with those of its committees, the number of meetings held, attendance record of each director, and ongoing professional education or training of its directors, are disclosed in the annual report.

Section 5 Responsibilities of the Board of Directors

Principles:

- The Board of Directors plays an important role in corporate governance for the best interests of IEC.
- The Board of Directors shall be accountable for their duties to shareholders.
- The Board of Directors shall be independent of the management of the Company.

Best Practices:

The contents in the best practices for the responsibilities of the Board of Directors include:

1. Structure and qualifications of directors
 - 1.1 The Board of Directors shall be comprised of directors from diverse and appropriate balance of qualification including skills, experience, specialized expertise useful to IEC, and gender. At least one non-executive director shall have prior working experience in the major industry the Company is operating in. IEC shall ensure that the Board's diversity policy and the number of years each director has been with the Company are disclosed in the annual report and on the Company's website. In addition, directors shall not have prohibited characteristics as prescribed in the Public Limited Company Act.
 - 1.2 The Board of Directors shall be composed of at least 5 and not exceeding 12 directors, who can be either a shareholder or non-shareholder of the Company.
 - 1.3 Directors and the executives shall inform the Board of Directors' meetings of their trading of IEC shares at least 1 day prior to the trading date, including the shareholding information.
 - 1.4 The number of independent directors should meet SEC requirements. The remaining directors should be representatives of each group of shareholders; the number of directors should be proportionate to the ownership of each group.
 - 1.5 The Board of Directors shall be comprised of an appropriate balance and diversity of skills, including industry, accounting and finance, business, management, strategy, risk analysis, law, and corporate governance. The number of directors should be comprised of at least 3 experts in the industry of the Company, 1 law expert, and 1 accounting and finance expert.

- 1.6 The appointment of directors shall be subject to the terms specifically set forth with transparency and clarity. The profile of all directors shall be disclosed to the shareholders in the annual reports with adequate details for their decisions in the annual general meeting.
- 1.7 Directors and Group President shall be allowed to hold directorship in other listed companies of not exceeding 5 companies.
- 1.8 New directors shall be provided with an orientation for first-time directorship to understand the Company's nature of the business operations and other necessary information.
- 1.9 The roles and responsibilities of the chairman shall be obviously different from those of the Group President. In order to achieve a balance of power, the two positions shall be held by different individuals. The roles and responsibilities of both positions shall be disclosed in the annual reports and the Company's website.
- 1.10 The corporate secretary shall serve the Board of Directors by providing legal advice, taking care of the Board of Directors' activities, and monitoring compliance with the Board of Directors' resolutions, including other roles and responsibilities as stipulated in the law on the securities and exchange. Therefore, IEC shall ensure that the corporate secretary is educated or trained in legal, accountancy, or company secretarial practices regularly and continually.
- 1.11 Group President shall not hold directorship in a company with the same business operations as IEC, including IEC's competitors and trade partners.

2. Nomination and selection of directors and independent directors

IEC shall conduct the nomination and selection of directors and independent directors to be appointed as the board members transparently. The candidates for the position of director shall possess the qualifications as set forth by the Nomination Committee. In the nomination process, the shareholders shall be allowed to nominate the candidates for directorship whilst the Remuneration and Nomination Committee shall review and screen the nominated or selected candidates whether they meet with the qualifications stipulated by law and regulations or not.

3. The committees

The Board of Directors shall appoint specific committees according to the law, including audit committee, nomination committee, remuneration committee, risk management committee, and corporate governance committee, by the nomination process set by the Nomination Committee.

The composition and qualifications of the specific committees are as follows.

3.1 Audit Committee

The Audit Committee shall be comprised of at least 3 independent directors and at least 1 director shall possess adequate knowledge and experience in a review of the reliability of financial statements. The Audit Committee members must bear independent qualifications in

accordance with the SEC and SET notification regarding the qualifications and scope of work of Audit Committees. The Audit Committee shall be responsible for auditing and monitoring IEC's operations, financial reporting, and internal control systems; selecting the Company's auditors; reviewing conflicts of interest; and overseeing the risk management system. The Audit Committee shall possess the following qualifications:

1. Appointed by the Board of Directors;
2. Being a non-employee director or consultant who receives salary from the Company, subsidiary, affiliate, or associated company; and
3. Being trusted and generally accepted and able to dedicate sufficient time to act as audit committee member.

3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be comprised of at least 3 IEC directors. The majority shall be independent directors. The qualifications shall be as follows:

1. Not being the Chairman of the Board of Directors or Executive Chairman; and
2. Possessing expertise, experience, and competency in the duties and responsibilities and being able to dedicate sufficient time to act as the member of the Nomination and Remuneration Committee according to the Company's objectives.

3.3 Corporate Governance Committee

The Corporate Governance Committee shall be comprised of at least 3 IEC non-executive directors. The majority shall be independent directors and their qualifications shall be as follows:

1. Not being the Chairman of the Board of Directors; and
2. Possessing expertise, experience, and competency in the duties and responsibilities and being able to dedicate sufficient time to act as the member of the Corporate Governance Committee to achieve the accomplishment as prescribed in the Company's objectives.
3. Being well respected and generally accepted.

3.4 Risk Management Committee

The Risk Management Committee shall be comprised of not exceeding 3 IEC directors who are actively working in the field of risk management and/or external candidates. Their roles and responsibilities shall be consistent and corresponding with each other to ensure that IEC implements the risk management in all core activities and takes into account the related and interconnected risks of all IEC affiliates entirely and completely.

3.5 Independent Directors

An independent director shall be able to act freely and independent of major shareholders or groups of shareholders and IEC's top executives. The Independent Directors shall have access to financial information and other business matters so they are able to express their opinion independently and protect minor stakeholders' interests. The Independent Directors shall attend the Board of Directors' meetings regularly and shall prepare a report verifying their independence upon their appointment and annually thereafter and the information in the report shall be disclosed in IEC's annual report. An Independent Director shall be qualified under the SET's and SEC's notifications.

The qualifications of the Independent Directors are as follows:

1. Holding not more than one percent of the total number of shares with voting rights of the Company, the parent company, subsidiaries, affiliates or related companies, including the shares held by their related parties;
2. Not being an executive director involved in the management, employee or consultant receiving regular salary, or other benefits from the Company, the parent company, subsidiaries, affiliates or related companies; not being a controlling shareholder of the Company, the parent company, subsidiaries, affiliates or related companies, in the past 2 years before the appointment;
3. Not being a person related by blood relationship, or by legal registration, with directors, the management, major shareholders, or controlling shareholders of the Company, the parent company, subsidiaries, affiliates or related companies;
4. Not being a person related by business relationship with the Company, in the past 2 years before the appointment, both in the field of professional services, such as an auditor, a professional service provider, providing services worth more than THB 2 million, and in the field of trading and business, such as having no significant transactions with the Company;
5. Not being a representative of directors, shareholders or related to the major shareholders;
6. Not having other characteristics that hinder the ability to give independent opinions;
7. Able to participate in making decisions of business operations in the form of a quorum;
8. Not operating the same nature of business and in competition with the Company, the parent company, subsidiaries, affiliates or related companies; in order to encourage independent directors to have a discussion among themselves independently to give suggestions and comments and establish guidelines to improve the quality of good corporate governance, IEC requires that the Independent Directors' meetings be held at least twice a year; and
9. Holding a period of not exceeding 9 years in office.

4. Roles and responsibilities of the Board of Directors

According to the Articles of Association of the Company, the Board of Directors shall have power and duties in the operations of the Company as demanded in the laws, objectives, article of associations and resolutions of the shareholders' meeting, abiding by "The Principles of Good Corporate Governance for Listed Companies" stipulated by the SET, in good faith, with due diligence and care, in the best interests of the Company and all shareholders. Therefore, IEC has established a clear scope of their work, roles and responsibilities as well as working procedures for the Board of Directors, separating from the roles of the management, as a role model for IEC employees at all levels to adhere as their working guidelines and to build the confidence of the shareholders and investors. Details are as follows:

4.1 The Board of Directors' duties and responsibilities should include the following matters:

1. Review and approve key matters of the Company's business operations, such as the vision, mission, strategy, financial targets, risks, major plans of action and budget; including monitor and follow-up the effective and efficient compliance of the management on the approved policies and plans;
2. Determine the vision of the business; be responsible for the operating results and performance of the executives, with due diligence and care; and
3. Evaluate the performance of the Executive Chairman, regularly on a yearly basis and approve the remuneration of the Executive Chairman.

4.2 The Board of Directors shall ensure that a written code of business ethics be in place so that all directors, executives and employees understand business ethical standards that the Company employs in business operations. Compliance to the code shall be closely monitored by the Board of Directors.

4.3 The Board of Directors shall ensure that the Company's accounting system, financial reporting and auditing are reliable, and the processes for assessing internal controls and internal audit are effective and efficient.

4.4 The Board of Directors shall establish a risk management policy to cover all activities of the Company. The Board of Directors shall ensure that the Risk Management Committee assesses the effectiveness of risk management at least annually, by focusing on early warning signs and unusual transactions.

4.5 The Board of Directors shall have clear mechanisms on governing its subsidiaries in order to protect the benefits of Company's investment, including assigning directors of the subsidiaries to control the management under the policies of the Company.

4.6 Roles and responsibilities of the Chairman include:

1. To act as the chairman of the Board of Directors' meeting;

2. To have a casting vote in the event when the meeting has equal votes on each side;
3. To call for the Board of Directors' meetings; and
4. To preside over the annual general meeting as the chairman of the meeting.

Normally, the Chairman and the Group President are different persons so that the Board of Directors can monitor the operations of the management effectively, making the balance of power. However, should they be the same person, IEC shall take the following actions.

In any agenda where the Chairman has a conflict of interest as the Group President, such as an assessment of the Group President' performance, the Chairman shall not participate in such agenda and assign the Vice Chairman or other director to act on his behalf. Should the Chairman have an indirect conflict of interest, a secret ballot could be made to ensure more independent voting from the directors in such meeting.

5. The Board of Directors' meetings

The schedule and agenda of the meetings of the Board of Directors are set up in advance to ensure that each director can manage time to attend the meetings. The Chairman, in consultation with the Executive Chairman, shall be responsible for the approval of the Board meeting agenda and ensure that all important issues proposed by each member of the Board are included in a meeting agenda. IEC shall ensure that meeting documents are sent to each director in advance of the meeting, allowing adequate time to review each document for proper consideration and decision-making. Details of the best practices for the Board of Directors' meetings are as follows:

- 5.1 According to the Articles of Association, the Board of Directors shall meet at least once every 2 months. To constitute a quorum and be able to resolve at the meeting, directors of not less than two thirds of the Board shall be present at each meeting.
- 5.2 IEC shall ensure that the notice of invitation to the meeting is sent to each director at least 5 business days in advance of the meeting so that each director can have adequate time to consider the agenda and other issues properly and manage time to attend the meetings.
- 5.3 The Chairman, in consultation with the Executive Chairman, shall approve the meeting agenda. They shall also consider proposals from directors for additional important agenda and issues for the next meeting.
- 5.4 The Chairman shall appropriately allocate the meeting time for complete management presentation and comprehensive discussion of all important issues by directors.
- 5.5 The Board of Directors shall fully devote its time and efforts, to concentrating on IEC's operations and shall attend the meetings regularly, at least 75 percent of all the Board of Directors' meetings held during the year.

5.6 Where it is deemed necessary, the Board of Directors shall be able to request independent advice from external advisors or professionals, at IEC's expense.

5.7 The minutes of the Board of Directors' meetings shall be clear and contain the resolutions of the meeting and the comments of the Board for further reference.

6. The Board of Directors' self-assessment

According to the principles for assessment for corporate improvement, the Board of Directors and the committees shall conduct self-assessment regularly, at least once a year, to allow all members of the Board to consider the Board's performance and solve any problems they may have for further improvement. A benchmark of the Board's performance shall be systematically established. Details of the best practices for self-assessment are as follows:

6.1 IEC shall ensure that the Board of Directors' self-assessment is conducted annually, using 2 formats: on an individual basis and as the whole Board.

6.2 IEC shall ensure that the assessment form covers important issues: including the Board policy; the Board meeting; and the Board practices, consisting of risk management, internal control, prevention of conflicts of interest, financial reporting follow-up, nomination and remuneration, and evaluation of the President' performance. The assessment form for the committees shall be in a similar manner.

6.3 IEC shall ensure that the criteria and procedures used in conducting the Board assessment and the summarized results thereof are disclosed in the annual report.

6.4 IEC shall appoint an external consultant to facilitate in the Board assessment, by providing suggested guidelines and issues for assessing the Board's performance, at least once every three years.

6.5 IEC shall ensure that the assessment results and comments are presented in Corporate Governance Committee's meeting and the Board meeting for further improvement.

6.6 IEC shall ensure that assessment of the President' performance is conducted at the end of each operating year, by the Nomination and Remuneration Committee. The assessment results shall be presented in the Board meeting for approval.

7. Directors' orientation and development

7.1 Director orientation

The Chairman shall provide newly appointed directors with all documents and information useful to perform their duties, including an introduction to the nature of the business and the operations of the Company, important policies, a brief history, and the Company's corporate culture. The corporate secretary shall be responsible for delivering all necessary documents

and information useful to perform their duties as a director, including rules and regulations as well as additional information that the new directors may request.

7.2 Director development

The Board of Directors shall encourage and facilitate all directors to attend training or seminar that will enable them to continuously improve their knowledge and enhance their performance as directors more effectively. The Board shall promote directors to attend a training program to optimize the director's performance arranged by the Thai Institute of Directors (IOD).

Chapter 3

IEC's Code of Business Ethics and Policies

IEC's Code of Conduct, Business Ethics, Policies and Rules Regarding Good Corporate Governance

In order that the Company shall conduct its business operations with integrity, IEC has established the code of conduct or ethics, including business ethics, for the Board of Directors, the management and employees as their working guidelines that comply with the principles of good corporate governance.

1. IEC's Corporate Philosophy

1.1 The International Engineering Public Company Limited, or IEC, well recognizes the importance of good corporate governance, adhering to 3 main values, as follows:

1.1.1 PROFESSIONALISM of all IEC personnel, consisting of knowledge, skills and expertise in their responsibilities, integrity, discipline, sense of responsibility, and willingness to change for the better;

1.1.2 GOOD INTERNAL CONTROL SYSTEM and transparency in operations; and

1.1.3 EQUITABLE AND RELIABLE TREATMENT of stakeholders with mutual interests, including shareholders, customers, competitors, consumers, employees, government, joint ventures, trade partners, suppliers, associates, debtors and creditors.

1.2 IEC shall value the interests of all stakeholders and consider that it is IEC's duty to disclose the compliance with the good corporate governance in the annual report on a regular basis to build the confidence among investors and public on IEC's business operations which can be auditable and conducted with equitable treatment of all stakeholders and professionalism.

1.3 IEC's policies and code of business ethics are compiled in this Handbook as standards of good conduct for the Company's business operations and applied as the principles of IEC's good corporate governance to be consulted as a reference and working guidelines for all directors, management and employees.

IEC expects all personnel to report, in good faith, any misconduct or non-compliance with IEC's corporate governance to their direct supervisors. In this regard, the supervisors shall have obligations to monitor and guide their subordinates to demonstrate a mutual commitment to consistently adhere to IEC's code of conduct and policies as prescribed in IEC's Good Corporate Governance Handbook.

Policies and code of business ethics as appear in IEC's Good Corporate Governance Handbook shall be considered as one of the discipline, which IEC personnel at all levels shall study, understand, and embrace them as their working guidelines. IEC would like to reaffirm that no one shall have a right or be able to permit IEC personnel to take any action that is against the policies and code of business ethics stated in IEC's Good Corporate Governance.

If a case of violation or failure to comply with these principles is discovered and is confirmed by the results of a fair investigation, IEC shall take disciplinary and/or legal action, as appropriate.

2. Code of Business Conduct and Ethics for the Board of Directors

2.1 As the Board of Directors is the top organization of the Company, directors shall act as the topmost role model in adhering to and compliance with the principles of this good corporate governance.

IEC directors shall possess leadership and ability to effectively and efficiently control the operation of the management to achieve the goal which is at the heart of IEC business. They shall also be able to create value-added investment to the shareholders and other parties who have common interests. The Board of Directors shall cooperate with the management to ensure that the Company's vision, mission, and values be in place so that IEC personnel at all levels can abide by as their working guidelines. In addition, IEC directors shall be fully responsible for ethical and legal compliance of the Company and for other parties who have common interests. They shall perform their duties with precautions, skills, and integrity and express their opinion freely.

IEC directors shall always exercise judgment with independent discretion in considering the business operations of the Company so that shareholders can have confidence in them trustfully.

IEC directors shall consider to nominate the qualified persons to the Board of Directors or the shareholders' meeting to be elected for directorship replacing the vacant positions carefully and transparently.

IEC directors shall devote their time and dedicate their attention to the Company substantially. They shall always be available to attend the Company's meeting as well as to receive training for knowledge development continuously.

2.2 Code of ethics for the Board of Directors

2.2.1 Perform duties in compliance with the law, and the Company's objective and Articles of Association, including the resolutions of the shareholders' meeting.

2.2.2 Perform the administration for the best benefits of all parties who have common interests as well as maintain the renowned image of the Company.

2.2.3 Refrain from holding interests in other business dealing with the Company of which he/she is acting as a director, or in the business competing with the Company of which he/she is acting as a director, whether directly or indirectly, except for the case of the disclosure in good faith with a support and approval of the Board of Directors, the business that generates benefits and prevents the loss of benefits of the Company.

2.2.4 Perform the administration by avoiding the conflicts of personal interests with the interests of the Company to the best extent and effectiveness of the administration, including:

(1) Do not seek for private interests from acting as a director;

(2) Avoid the breach of confidentiality of the Company;

(3) Do not hold office as a director of the competitor of the Company; and

(4) Refrain from the benefits in contracts of the Company.

In the event where these cannot be avoided, directors shall disclose their stake-holding or conflicts of interest.

- 2.2.5 Perform the administration with precautions and never constitute an obligation that may conflict with own duties afterward.
 - 2.2.6 Never seek undue benefits from performing duties whether directly or indirectly.
 - 2.2.7 Perform duties with full potentiality to achieve maximum benefits of the Company.
 - 2.2.8 Do not become an entrepreneur or major shareholder or have family members as a director or shareholder in any business of the same nature or competitor or doing business with the Company of which he/she is acting as a director, whether for personal or others' benefits.
 - 2.2.9 Never take any action with the nature of administration or management of any company in a manner that impairs the benefits of the Company of which he/she is acting as a director, or subserves the benefits to any person or entity, whether for personal or others' benefits.
 - 2.2.10 Directors and senior management shall inform the Board of Directors of the trading of the Company's shares each time prior to such trading 1 business day in advance at the latest.
 - 2.2.11 In the nomination of Directors, the committee shall prepare the board skill matrix to define the qualification of the nomination and IEC shall prepare information on the policy and business practices to inform the newly appointed directors.
- 2.3 Directors are required to comply with the policy and code of ethics as appear in IEC's Good Corporate Governance to perform their duties in the relevant sections as well, including conflicts of interest, code of conduct for procurement, or the policy on confidentiality of the Company, etc.
- 2.4 The Board of Directors shall ensure that the self-assessment is conduct annually, indicating whether they perform their duties to the fullest extent, and disclose in the annual report whether they perform their duties to the fullest potential, including the results of the implementation of IEC's Good Corporate Governance.
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3. Employee Code of Conduct

Employee code of conduct refers to various practices that the Company considers as an ethic to perform duties and conduct business. The Company very much hopes that the management and IEC employees at all levels shall comply with this code of ethic consistently and continually in all cases.

IEC has established the employee code of conduct as follows.

3.1 Code of business conduct for IEC employees to the Company are as follows.

- 1) IEC employees shall perform their duties with accountability for the best interests of the Company, completely dedicating to the operations of the Company, including continuously seeking to improve and develop for the effective performance.
- 2) IEC employees shall perform their duties with honesty and integrity, avoiding any actions that may cause potential scandals on their honesty and integrity, including:
 - A. Never use the power of their duties or allow others to do so, whether directly or indirectly, to seek undue benefits for themselves and others.
 - B. Avoid, either by themselves or their families, giving or receiving gifts, money or other benefits with other persons whose responsibilities or businesses are related to the Company unless it is on a traditional, customary, or cultural occasion or on an occasion where the societal manners require such actions but the value shall not be unreasonably excessive, with details as stated in Section 8 Policy on Receiving and Offering Gifts.
 - C. Never use any unpublicized information substantial for the changes in securities prices of the Company for profits or benefits, whether directly or indirectly, from trading securities of the Company, with details as stated in Section 10 Securities Trading Policy.
 - D. Avoid accepting the invitation to a banquet in excessive manner than the normal relations with other persons whose business is related to the Company, with details as stated in Section 8 Policy on Receiving and Offering Gifts.
- 3) Maintain the confidentiality of the Company by safeguarding or taking precaution on confidential documents or information of the Company from the leak or fall to irrelevant persons that may cause damage to the Company unless authorized by the Company in accordance with Section 9 Policy on Confidential Information of the Company.
- 4) Take precaution to express opinions to outsiders on the matters that may affect the reputation and operation of the Company in accordance with Section 9 Policy on Confidential Information of the Company.
- 5) Use and maintain the Company's assets to maximize the best benefits, be economical, and not to use and seek for personal benefits.

3.2 Code of business conduct for IEC employees to supervisors, subordinates, and colleagues.

The correct and proper conduct of employees towards one another is one of the key factors that create kind cooperation and coordination and promote unity and synergy for the operation of the Company. Therefore, to enhance and preserve such great characteristics, employees are encouraged to observe as followings.

- 1) Maintain and foster unity among colleagues and support each other in good faith for the best benefits of the Company as a whole.
- 2) Treat the subordinates with kindness and fairness. Take care and develop the subordinates to make progress in their work by transferring knowledge on the job and encouraging to attend the training to enhance their knowledge and experience continuously.
- 3) Receive comments and suggestions of the subordinates about the job and apply them in a useful manner beneficial to the Company's operation.
- 4) Listen to the instructions of the supervisors and never overstep the scope of works of their immediate supervisors unless the higher superiors command to do so and IEC employees shall be polite and courteous to their superiors.
- 5) Avoid disclosing the information or story, both regarding the business and personal matters, of other employees or criticizing in a manner that may cause damage to such employees or the overall image of the Company as a whole.
- 6) Treat other colleagues with good manners, politeness, generosity, and good interpersonal relationships. Never conceal essential information required to perform duties of colleagues and adjust and adapt to work well with others.
- 7) Respect others. For example, never falsely claim others' works as one's own works.

3.3 Code of business conduct for IEC employees to oneself.

IEC employees shall behave and improve themselves in a way that is favorable to themselves and the Company consistently as follows.

- 1) Learn to seek for knowledge and experience to strengthen themselves as a person with virtues and ability to perform duties more effectively and efficiently.
- 2) Adhere to morality and never seek for undue positions, merits or other benefits from their supervisors or any other persons.
- 3) Abstain from all types of vices. Never behave oneself in a way that could tarnish one's own reputation and dignity as well as the Company's.
- 4) Avoid financial obligations with any persons whose business is related to the Company or between themselves, including the lending or borrowing, raising any money, using Cashier's check, rotating saving and credit associations, etc., except for charity and public events.

3.4 The invention of innovations

IEC employees are entitled to the benefits from their own inventions unless such inventions are resulting, as a whole or partially, from the knowledge gained from the Company or related to the Company's activities currently working on or planning to do further. In such case, IEC employees shall provide all documentation or information invented to the Company so that the Company shall possess the ownership and have legal rights to such invention completely. However, if the Company does not wish to possess the rights to any invention, the employees may use such invention according to their will freely but shall not violate general rule of the Company, stating that any actions performed by the employees shall not cause any damages to the interests of the Company.

3.5 Lectures or broadcast on the radio/television.

Generally, IEC employees shall be allowed to give a lecture or engage in teaching, coaching and training, or broadcast on the radio or teach through television. However, IEC employees shall request approval from their supervisors by commanding line in advance. If information or documents from the Company are required to be used for such purposes, prior approval shall be received in advance.

3.6 Publication of articles or books.

IEC employees may want to publish an article in a journal, newspaper, or other periodical publications, or other reports, or write a book from time to time. Interests or rights arisen from writing books or articles shall belong to the authors themselves unless it is the Company's publications, or the use of the Company's documents, including knowledge gained from performing duties at IEC. Therefore, employees shall consult their supervisors by commanding line when start writing.

3.7 The use of IEC

Employees are prohibited from using the name "IEC" or any other names that are the trademark of the Company to call attention, or for credit, or any other services due to the fact that such action shall adversely affect the image and reputation of the Company.

3.8 Sexual harassment

Sexual harassment is defined as any action concerning sexual affair by one employee to the other employee. Such action may cause suffering and annoyance or pose such discouraging, opposing or offensive work environment, including disturbances to performing duties by such employee without any duly reason. Such behavior shall include the assault, obscenity, flirtation, or sexual abuse, whether verbally or physically. IEC employees shall realize that certain behaviors could be characterized as sexual harassment although not intentionally.

Should any employee believe that they are being harassed, no matter in any form it may be, or there is an actual incident, they shall notify the Human Resources Department for further investigation and course of action as appropriate. In the event of harassment in violation of this clause of the policy, IEC shall take disciplinary action against the policy offender, without exception, as appropriate, which could be as severe as the dismissal without compensation. In some cases, the employees who pled guilty may have to be responsible for legal obligations too.

4. Code of Conduct for Procurement

4.1 Relationships with suppliers/vendors

- 4.1.1 Mind one's manners with the suppliers/vendors to the extent suitable for business purposes only; take precautions to avoid scandals on closer relationship with any particular supplier/vendor than the other that may interfere with the decision to select the procurement, bidding, negotiation, etc., on an unfair and inequitable basis to all parties.
- 4.1.2 Value and respect the suppliers/vendors as external resources that are favorable to the continuation of the Company's business. Thus, the procurement shall be on business development basis so that both the Company and suppliers/vendors can receive mutual benefits that are fair to both sides. Avoid taking into account the interests of the Company solely without limitation.
- 4.1.3 Provide accurate, precise, and straightforward information, based on the veracity of the suppliers/vendors. Never deceive the traders/vendors to rush to make decision with misunderstanding or accurate but incomplete information as it should be.
- 4.1.4 Avoid accepting gifts, rewards, invitation to a banquet held privately or specifically for one group in particular by the traders/vendors, including invitation to an excursion that the traders/vendors offer to pay for any related expenses, or accepting a sponsorship from the traders/vendors for any internal activities, in order to avoid any potential scandals and prevent any bias to return the help to any party in particular.
- 4.1.5 Be careful not to let the traders/vendors bear the costs that are partial to the procurement, especially during the determination of tender specification, negotiation, or decision-making on the procurement.
- 4.1.6 Visit the premises of suppliers/vendors by informing them about the business objectives in advance and clearly schedule the date of the visit.
- 4.1.7 Never expect or demand any benefits either privately or collectively from the suppliers/vendors, except for the gifts on the New Year occasion that receiving as a courtesy is required and they should not be more special or extravagant than standard gifts that the suppliers/vendors prepare to offer to their customers in general. Never accept money or bribery in any form whatsoever.
- 4.1.8 Stop contacting or doing business with the suppliers/vendors who conduct their operations in one or all of the following practices: possessing a negative attitude towards liberal trading system; monopoly system; preventing competition; conniving behavior for the quotation proposal or bidding; or offering private interests to the employees or the management of the Company.

4.2 Procurement

- 4.2.1 Accept product samples for trial for a limited period of time and return them immediately when due. Carefully trial the samples with the objective to genuinely examine and record the quality and capacity as evidence for further reference in decision-making process.
- 4.2.2 Never invite suppliers/vendors to submit the proposal or tender without the real need for procurement or with the intention to decline the procurement from any suppliers/vendors in particular. Invite only those suppliers/vendors, after consideration, with qualification, eagerness and ability to compete with the hope to be awarded the contract eventually.
- 4.2.3 Treat all suppliers/vendors participating in the tender offer equally.
- 4.2.4 Keep confidential the information received from each bidder or tender participant.
- 4.2.5 Conduct the procurement process in a transparent, fair and honest manner. Never let any unjustified influence intervene the process.

4.3 Negotiation

- 4.3.1 Conduct the negotiation on the basis of business relations, trying to solve problems and find a solution or a conclusion of mutual satisfaction and acceptability to both sides. Never negotiate by tricking or threatening the other party or without principle and rationale.
- 4.3.2 Never negotiate unaccompanied or without evidence recording to prevent any scandals. Avoid over-the-phone negotiation. At the end of the negotiation, summarize in writing the main points and cosign as evidence by all participating negotiating parties.

4.4 Disclosure of potential conflicts of interest

Decision makers on procurement procedures, including all related parties, shall disclose details of the business or private interests of all kinds associated with decision-making on procurement for the Company's acknowledgement without demands. They shall disclose their shareholding or returns from the business of the Company's suppliers/vendors of products or services, either directly or indirectly, or their close relatives working or holding partnership or offices there.

5. Policy on Conflicts of Interest

5.1 The Company's policy on conflicts of interest

IEC's policy on conflicts of interest is based on the principles that any decisions of IEC personnel at all levels to carry out business activities shall be made for the best interests of the Company only. Such decisions shall be free of both direct and indirect influence of personal needs, or one's family's needs or closely-related persons' needs.

Conflicts of interest occur in the event where IEC personnel at all levels have interests for private benefits, or for their families or closely-related persons, in terms of finance or otherwise in the business, which has benefited from:

5.1.1 The decision of such person in performing duties for the Company; or

5.1.2 The recognition of any future activities or plans of the Company.

The Company shall consider that it is the obligation of IEC personnel at all levels to avoid the involvement in financial affairs and/or relationships with other third parties that may result in the Company's loss of benefits or cause conflicts of loyalty or interest, or hinder the effective duty performance.

5.2 The annual review of conflicts of interest

Each year IEC personnel at all levels shall be reminded to review and realize The Company's policy concerning conflicts of interest. All IEC personnel shall inform the Corporate Secretary on any matters that have happened and could be a conflict of interest. The report of such matter shall be accompanied by details of the matter so that IEC will be able to decide its standpoint on the matter and later respond to such person and the supervisor. However, should there be any further inquiry on the conflicts of interest happening during the year, employees are required to report such matter immediately one the incident occurs.

In the event of a tangible conflict of interest, when IEC personnel discloses information and cooperate well with the Company if conflicts of interest arise, such problems can be solved simply if such persons withdraw/abstain from making decision in the matter causing such conflicts.

5.3 Definition

Family means any individual related to IEC personnel at all levels, whether by blood, lawful marriage, including legally adopted children.

Related person means any individual related to IEC personnel at all levels in any close relationship.

Competitor means a company that operates similar or close business as the Company.

5.4 Samples of the conflicts of interest scenario

5.4.1 General investment

IEC personnel at all levels, their families or related persons shall not be the shareholder or receive benefits from the competitors or any other businesses, including suppliers/vendors that the Company is dealing business with, by purchasing shares of SET listed companies or investing through mutual funds or unit trusts that do not constitute conflicts of interest as long as that does not affect the performance of the Company.

5.4.2 Procurement of goods and services to the Company

Conflicts of interest may arise if IEC personnel at all levels, their families or related persons are a provider of products and services to the Company as a supplier/vendor, if such persons can direct or influence the operation of such entities, although not holding an office involved with the business of the Company or such entities as detailed in Section 4 Code of Conduct for Procurement.

In cases where any IEC personnel at all levels, having a family member or related person who happens to be an employee or owner of business that is the customer, supplier/trader, or competitor of the Company, shall participate in the decision-making concerning business relationship with such entities, it shall be deemed conflicts of interest.

5.4.3 Entertainment and gifts

IEC personnel at all levels shall not accept entertainment, gifts, tickets, sports tickets, other tickets, vacation offers, accommodations, or any other offers proposed privately, etc., related to their own duties in the Company if such actions will lead to the creation of the obligations to the Company or may cause such person to fall into the conflict of interest situation as detailed in Section 8 Policy on Receiving and Offering Gifts.

5.4.4 Accepting an offer as a faculty, lecturer, public service, or any other positions

IEC personnel expecting to accept an offer as a lecturer, public service, or any other position, such as director, consultant, etc., shall seek approval from direct supervisor prior to accepting such offer. The approved IEC personnel shall always bear in mind that they will not engage the Company or their position at the Company with such outside activities, unless they are also approved to do so.

In cases where the management or employees are appointed as a secretary to any boards of committee of the Company, or as a representative of the Company in the management board of a project/director in a joint venture or affiliates, it shall not be deemed as the conflicts of interest.

6. Policy on Internal Controls and Audits

- 6.1 IEC shall ensure that a policy for internal control is effective and adequate for the level of risk appetite and tolerance and that it is appropriate for the conditions of the works or activities of each operation unit. The Office of Internal Audit shall continually follow up the internal controls to improve each control measure and ensure that they reflect the changing circumstances.

Therefore, in order to achieve such objectives, IEC shall implement as follows:

- 6.1.1 Ensure that the management is committed to recognizing the importance of internal control and the implementation of internal control in all levels of the works or activities of the Company;
- 6.1.2 Define the measures, formats and methods of internal control that match the condition of each operation unit, activities of the operation unit, risk appetite and tolerance, and risk management, regularly, taking into account the effectiveness and adequacy of such systems;
- 6.1.3 Ensure that the management strives to achieve a balance between flexibility in operation and level of adequacy of effective internal controls and that the cost arisen from such internal controls generates worthwhile benefits; and
- 6.1.4 Ensure that IEC personnel at all levels recognize the importance of constant and continual implementation of all internal control measures determined by the Company.
- 6.2 The objectives of internal controls

Internal control refers to the operational processes or work procedures that are jointly set up by the Board of Directors, management and employees at all levels in the organization to reassure that the objectives can be achieved. Details are as follows:

- 6.2.1 Operations shall be effective and efficient in performing duties, including wise use of resources to the best benefits;
- 6.2.2 Financial reporting shall be accurate, reliable and timely; and
- 6.2.3 Compliance with corporate policies and regulations and laws shall be carried out correctly.
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7. Policy on Accounting and Finance

7.1 The accuracy of accounting journal entry

IEC's accounting journal entry is vital for the fact-based, accurate, timely, rational, and reliable accounting and financial reporting and disclosure to the management, shareholders, joint venture partners, government agencies, and other stakeholders. It is therefore essential that IEC personnel at all levels shall strictly adhere to IEC's accounting and financial control process.

In order to achieve the business transaction recording that is accurate, complete and verifiable without limitation or exception in any manner, the entry of accounting journal and business transactions shall be fact-based, without any manipulations or false entries for any purposes whatsoever.

IEC's personnel at all levels shall record all business transactions in accordance with the fact, regulations and requirements of the Company, together with a complete set of supporting documents that provide useful, adequate and timely information for each business transaction. This shall allow IEC employees in charge of journaling, preparing, and assessing the accounting and financial reports to journal and prepare all types of accounting and financial reports of the Company and enter into IEC accounting system with accurate and complete details.

7.2 Accounting and financial reporting

The employees who are responsible for journaling, preparing, keeping information and/or all types of accounting and financial reports of the Company shall always keep in mind that IEC takes the accuracy of the accounting journal entries as a high priority emphasis to ensure that accounting and financial reporting is prepared properly. Appropriate accounting policies are considered, selected, and adopted consistently, in accordance with accounting principles which are generally accepted. In addition, disclosure of sensitive information is carried out adequately in accordance with IEC's financial and accounting regulations.

All employees of IEC shall not commit information manipulations or false entries, no matter whether such information is an accounting and finance related business transaction or an operational entry. All IEC employees shall realize that the accuracy of accounting and financial reporting is a shared responsibility of the Board of Directors, management, and employees who are responsible for accounting and finance, as well as all employees who are in charge of journaling, preparing, and/or providing information about business transactions.

7.3 Compliance with the law

IEC's personnel at all levels shall comply with the relevant laws and regulations of Thailand and/or foreign countries. This shall ensure that accounting and financial records of the Company

are carried out accurately and completely. Therefore, the Company shall strictly prohibit journaling of false entries or intentionally misleading information utterly.

8. Policy on Receiving and Offering Gifts

- 8.1 Assets or other benefits that IEC personnel shall be able to receive from any person include: assets or other benefits receivable by law or regulations issued by virtue of the provisions of the law; assets or other benefits received on an ethical basis, i.e. receiving from relatives or any person on a traditional, customary, or cultural occasion or on an occasion where the societal manners require such giving. Apart from these cases, and where receiving is necessary to maintain goodwill, friendship or relationships between individuals, recipients shall report to their supervisors without delay. Should the supervisor see no reason to allow the recipients to hold the assets or other benefits as personal interests, the recipients shall deliver them to the supervisor to be kept in their custody as IEC property.
 - 8.2 IEC shall prohibit its personnel and/or their family members at all levels to solicit or receive gifts, assets or other benefits from contractors, sub-contractors, trade partners/suppliers, joint venture or other parties related to IEC business operations, under any circumstances.
 - 8.3 IEC shall not support the contractors, sub-contractors, trade partners/suppliers, joint venture or other parties related to IEC business operations to offer gifts, assets or other benefits to IEC personnel and/or their family members at all levels, which may lead to unfair judgments, impair decision-making or create conflicts of interest.
 - 8.4 IEC shall prohibit its personnel to offer gifts to their supervisors; the supervisors shall not allow with consent or acquiescence their family members to accept gifts from IEC personnel under their supervision, unless traditional manners require such giving, but the gifts shall not exceed a value of THB 3,000.
 - 8.5 IEC shall use its discretion properly not to offer any persons gifts, assets or other benefits, in an inappropriate, or extravagant, or uneconomical, or uncustomary, or untraditional manner, or against the laws of Thailand.
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9. Policy on Confidential Information of the Company

- 9.1 IEC's directors, management and employees of the Company sometime will have to work with information and documents that cannot be disclosed to the third parties. Safeguarding this type of information is absolutely critical to the success of the Company in the future. Therefore, directors, management and employees are obliged to accept legal obligations and business ethics not to disclose such confidential information and documents or trade secrets for two more years after they have vacated their positions.
 - 9.2 Trade secrets that are inside information shall be carefully safeguarded and prevented from leakage to outside of the Company. Using and sharing inside information shall be allowed to the extent of one's authorized duties and responsibilities only.
 - 9.3 To provide information to third parties, all information released to the public shall get approval from the Executive Chairman. The Chairman may provide information to the third parties on his own or assign any person to release information to the third parties.
 - 9.4 Never disclose information or give any comments to any other person outside the Company.
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10. Securities Trading Policy

10.1 The Board of Directors and management have a duty to report their securities holdings in accordance with the rules and regulations of the SET and SEC.

10.2 The use of inside information

IEC, as a listed company on the SET, shall ensure an equitable and fair treatment of all shareholders equally. To prevent illegal actions committed by IEC personnel and their family members at all levels who happen to have known or received inside information which has not yet been publicly released, the Company shall suspend such person from the trading of shares, persuading others to buy or sell, or offer to buy or sell IEC shares, whether by oneself or through their brokers, while still possessing such unpublicized information. IEC and the SET shall consider this trading of shares as a trading for speculation or a trading that creates advantages for one particular group.

10.3 In addition to compliance with the laws governing the use of inside information, as prescribed in Clause 10.2 above, IEC has also established promotional measures, as follows:

10.3.1 Temporary suspension of the trading of IEC shares at a specific time during the preparation of the disclosure of significant information, where directors, management of division level and higher and employees involved with the preparation or have accessed to significant inside information shall refrain from buying or selling IEC shares.

10.4 Preventive measures

In order to ensure the compliance with the policy in an orderly manner, IEC has established the procedures as follows:

10.4.1 Limit access to unpublicized information to the relevant and necessary parties only;

10.4.2 Set up security system in the workplace to safeguard confidential documents and files;

10.4.3 It is the duty of the owner of the unpublicized information to warn the involved parties to follow the information security procedures cautiously and strictly.

10.5 Penalties for the use of inside information.

Should a case of violation be discovered, IEC shall take disciplinary and/or legal action, as appropriate as the case may be.

11. Policy on the Use of Information Technology and Telecommunications Media

11.1 The use of computers and other equipment related to information technology services or telecommunication devices shall be the shared responsibility of personnel at all levels to use them appropriately for the best benefits, reliable with the standards of business conducts, and in accordance with IEC policies and code of business ethics.

11.2 The use of information technology

11.2.1 The Internet

IEC shall provide internet services to ensure that personnel can work to achieve the goals or objectives effectively with modern technology and as a learning tool, including the use of appropriate personal activities but not for private business.

IEC personnel shall be responsible for avoiding internet sites that IEC considers illegal or violating of good morals. Users shall refrain from disseminating to others information or message from such internet sites. IEC shall have the right to monitor the use of internet and block access to such internet sites.

IEC personnel shall not receive/send messages, data, images or codes that are: against the law or the cabinet resolution, policies, rules, regulations, orders or notifications of the Communications Authority of Thailand or set forth by the state; or against the public order and public morality; or a threat to the stability of the nation.

IEC personnel shall take precautions and not take any action on the internet to attack any other computer systems, whether on the Company's own network and/or other computer networks that the users are not authorized to use. In addition, IEC personnel shall carefully maintain the confidentiality of their password, preventing outsiders to use it.

11.2.2 Electronic Mail (email)

IEC shall provide an electronic mail (email) system so that personnel at all levels can use in usual communication of the Company activities, including the use of appropriate personal activities but not for private business.

IEC personnel shall avoid sending an email to: hinder the performance of the Company; or annoy others; or violate the Company policy; or commit illegal act; or violate morality. The content of the email, including personal emails, stored in the Company's email system may be verified with proper justification by the persons authorized by the Company.

11.2.3 Access to information

Only the authorized personnel shall be eligible to have only access to data files or applications whether stored in the form of computer files or any other formats.

Attempts to access information to view, duplicate, publish, delete, harm, change data or password, or perform any other acts that cause damage by unauthorized persons are considered by IEC to be guilty.

11.2.4 The use of telecommunications media, including telephone, facsimile, mobile phone, pager, radio transceiver, satellite equipment, etc., shall be arranged by IEC as telecommunications system for personnel to use in communication for IEC business interests, including appropriate use for personal activities but not for private business.

IEC personnel shall avoid the use of telecommunications media to hinder the performance of the Company; or annoy others; or violate the Company policy; or commit illegal act.

Wiretap and tape recording of the communication content shall be prohibited unless such recording of the communication content that the Company uses in business-as-usual activities or in special cases with prior approval from the Executive Chairman.

11.2.5 The Copyright Act

IEC personnel shall be prohibited to bring in illegal or uncopyrighted software programs or applications to use, in any form whatsoever, both inside and outside of the workplace and/or the Company's tools and devices. If the officials responsible for copyright infringement come in to investigate and find such personnel guilty, IEC shall not be responsible in any way whatsoever. It shall be deemed that such personnel commits the violation of the Company's order and will be penalized according to IEC regulations, too.

11.3 Privacy

The Company's policy confirms the compliance with the law related to privacy of employee in the workplace. However, IEC reserves the rights to access any information, including voice mails and emails stored in the computer system, or other associated devices, or telecommunications devices which are the property or the right of the Company, or within the premises of the Company. In addition, IEC has the right to change the password for the purposes of monitoring, investigation or search for such computer files, voice mails, or emails.

11.4 Associate employees, contractors' employees, or consultants' employees

To authorize or allow associate employees, contractors' employees, or consultants' employees to use the company's computer system or any other relevant devices, including the copyright of the software programs, applications, and telecommunications devices media, the respective authority unit shall ensure that such access to computer systems and telecommunications devices is within the limited extent as required in its use for the support of the Company's business only.

12. Policy on Occupational Health and Safety

12.1 IEC personnel at all levels shall have a shared commitment and good sense of responsibility to the Company to carry out their duties under the guidelines governing the Company's occupational health and safety to establish a good corporate culture forevermore.

12.2 To achieve the objective set forth in 12.1 above, IEC shall perform as follows:

- 12.2.1 Ensure that the management pays best emphasis on conducting business that complies with occupational health, safety and environment standards;
 - 12.2.2 Ensure that the activities and operations of the Company comply with the requirements, laws and other regulations governing occupational health, safety and environment;
 - 12.2.3 Ensure that the exploration, analysis and control of potential dangers that may result from the activities of the Company are in place;
 - 12.2.4 Ensure that IEC personnel receive adequate training to develop their awareness in occupational health, safety and environment;
 - 12.2.5 Provide a safe working environment, promote a safe working practice, and encourage the involvement of all personnel to prevent unsafe circumstances;
 - 12.2.6 Prevent occupational diseases and illnesses and encourage IEC personnel to stay healthy;
 - 12.2.7 Arrange a training and development session for IEC personnel to raise their awareness in safety and security;
 - 12.2.8 Coordinate with various agencies for information about safety and security;
 - 12.2.9 Establish a systematic monitor procedure to follow up the safety and security implementation in order to find the defects and remedial measures.
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13. Risk Management Policy

Risks mean the probability of error, damage, leak, waste, or adverse event that may occur in the future and impact or hinder the success of the operations according to IEC objectives and goals in terms of strategy, operation, finance and management. However, this includes a positive impact as well. In order to determine the risks, the expected impact and the likelihood of the incident are measured.

Risks can be classified into 4 categories as follows:

- 1) Strategic Risk (S)
- 2) Operational Risk (O)
- 3) Financial Risk (F)
- 4) Compliance Risk (C)

Risk management according to COSO guidelines (The Committee of Sponsoring Organizations of the Treadway Commission, 2004) follows the Enterprise Risk Management — Integrated Framework, international standards generally accepted as a framework and guidelines in implementing the risk management system in the enterprises, including the SET in present.

Risk management is defined as the process used in administration to reduce the likelihood of the risk incidents or minimize the impact of the risk incidents to be under IEC's risk appetite and tolerance.

IEC recognizes the importance of such risk management and considers it as a significant management tool that could allow the Company to achieve the defined objectives and goals, lessen investment losses, increase competitiveness and take into account as an important component of IEC's good corporate governance. Therefore, IEC has set up a systematic risk management by: appointing the Risk Management Committee for policy planning; establishing the Risk Management Department to oversee the Company's overall risk management; and, appointing a representative of each department to take care of departmental risk analysis and reporting. At the same time, IEC has determined the issue of risk management and add it into the job description of each and every department in order that the personnel of all departments shall be aware of such issue. In addition, IEC has developed the handbook and risk management plan to be used as working and assessment guidelines so that all departments can control the risks under IEC's risk appetite and tolerance level.

13.1 Duties and responsibilities of the Risk Management Committee include, but not limited to:

- 13.1.1 Plan the policy; develop risk management plan and risk management handbook; propose them for approval to the Board of Directors prior to the implementation;
- 13.1.2 Define the risk management structure to cover the entire company; implement the risk management strategy into tangible practice, according to international standards for the right investment;
- 13.1.3 Review and inspect significant risks from the reports of the Risk Management Department in accordance with international standards;

13.1.4 Review of the adequacy of the risk management system and the effectiveness of the risk management at least once a year;

13.1.5 Communicate with the Audit Committee about significant risks;

13.1.6 Plan the policy and define the procedure to assess the supervision, control, monitoring and evaluation to prevent the risks of corruption, both at the operational and managerial level; provide employees the development and training on compliance with the principles of good corporate governance in accordance with international standards.

13.2 Disclosure of risk management results

IEC shall disclose and include the results of risk management in its annual report and on the Company's website once the changed risk level has be detected. IEC shall also focus on early warning signs and unusual transactions.

14. Anti-Corruption Policy

The International Engineering Public Company Limited is committed to conducting its business operations with integrity and accountability to society and all groups of stakeholder by adhering to the practice of good governance and IEC's corporate governance principles. With the intention and commitment to the battle against corruption in all its forms, IEC has signed the declaration statement of Thailand's Private Sector Collective Action Coalition Against Corruption. Therefore, to ensure that IEC has defined the good practices and responsibilities of those involved in the prevention of corruption in all its forms in IEC business activities, IEC has introduced the anti-corruption policy as follows.

The definition of "corruption"

The term "corruption" refers to the pursuit of power, benefits or bribery by an unethical behavior in all its forms. This covers all wrongful practices or acts to acquire undue benefits for one's own, using power and influence of a position in which one is holding office. The term also includes the offer, promise, or giving of undue assets or other benefits to state officials, private agencies, or responsible persons, whether directly or indirectly, with the aim to cause public or private officers or agencies to perform or omit a particular act that is leading to an obtain of benefits for one's business unless permitted by law or regulation or by traditional, customary, or cultural practices where business manners generally allow such acts.

Anti-corruption policy

IEC directors, management and employees shall adhere to the compliance with the principles of good governance and IEC's good corporate governance strictly and shall not allow any persons to violate anti-corruption policy or accept all forms of corruption, either directly or indirectly, covering all the involved agencies. IEC personal shall also ensure the regular audit and review of the compliance with anti-corruption policy continuously in order to reflect the changing business, legal, social, cultural, and economic circumstances. IEC directors, management and employees shall perform their duties with the awareness and consciousness to comply with good governance principles, especially the following issues:

1. **Responsibility:** the sense of responsibility to perform duty with full capacity, efficiency and effectiveness according to the prescribed duties and responsibilities of the Board of Directors and committees. The Board of Directors shall ensure that excellent and effective internal control and internal audit are in place. The Group President and management shall be responsible for the implementation of anti-corruption measures, review the suitability of each measure, and support and promote anti-corruption policy, including the communication with employees and all relevant parties to abide by the policy strictly and not to get involved in any corruptions, whether directly or indirectly.
2. **Accountability:** the responsibility for the performance, operation, or decision to perform or omit any actions of IEC directors, management and employees. IEC personnel shall be aware of the consequences with responsibility to all stakeholders in terms of economy, society and environment.

Getting involved or supporting the action causing a corruption, or neglecting when witness any actions connected with corruption, which may impact the stakeholders shall constitute a violation of the anti-corruption policy. Disciplinary action shall be taken in accordance with the regulations, including legal penalties under the law of Thailand, should such violation be the act against the law of Thailand.

3. Transparency: the operations with transparency and auditability, by adhering to IEC's good corporate governance, risk management, and auditing process at every work procedure, on a comprehensive, transparent and fair basis. Should any officers witness any actions connected with corruption related to IEC, they shall inform their supervisor or the person in charge. This may be done via direct whistle-blowing to the Corporate Governance Committee on IEC's website. Whistleblowers shall cooperate in the investigation and the Company shall considerably ensure fair treatment and protection of those involved in the cooperation in reporting or providing information related to corruption.
4. Communication: the disclosures to, including communication with, stakeholders about business activities operations. IEC shall disclose information to stakeholders and hear their comments through channels stipulated by law, including other appropriate channels to the extent that is permitted by the regulations of the SET with a timely and accurate information. This shall allow all groups of stakeholders to audit, recommend, suggest, inquire and monitor the progress of IEC operations effectively and efficiently, in a comprehensive, transparent, and fair manner. This shall also ensure that IEC is unwaveringly committed to conducting its business by adhering to the principles of good governance and corporate governance, with respect for the rights, in good faith and equitable treatment of stakeholders, including fair participation of stakeholders, which is the process of public disclosure, according to the operational authority of the Company.

This anti-corruption policy shall be applicable to the abstain from political contributions -- except for the political contributions which aim to alleviate disaster consequences urgently affecting the public -- donations to charity, funding, gifts and receptions, and other transactions that may entail the risk of corruption. IEC has defined anti-corruption practices so that those involved in anti-corruption can adopt as their working guidelines, covering all stages of business operations and all units of IEC. In this regard, IEC Board of Directors, management and employees at all levels shall be responsible for the compliance with the principles of anti-corruption policy strictly and bear in mind that corruption is unacceptable in IEC corporate culture.

15. Sustainable Development Management Policy

The International Engineering Public Company Limited has set forth the Company's vision that IEC shall strive to become a turnkey provider of renewable energy by using advanced innovations of world-class quality technologies of renewable energy and information and communication. Therefore, IEC is principally engaged in diverse power generation and renewable energy as the core business by introducing the policy on sustainable development management. As IEC is committed to the best interests of shareholders and stakeholders, by cooperating with partners involved in technologies of renewable energy and information and communication, the best practices for total excellence have been established, by implementing transparent business processes and social and environmental accountability, to build up confidence among stakeholders. IEC is also committed to continual development in various fields according to the vision of the Company, with the sustainable development management framework as follows:

- 15.1 IEC shall focus on conducting its core business in power generation, renewable energy, and manufacture of plastic products from various waste; IEC is committed to creating the best interests of shareholders and stakeholders in the long run as well as business operations with accountability to economic, social and environmental stakeholders; IEC shall also emphasize on continual human resource development and maximizing business productivity and improvement opportunity in order to continuously meet the needs of stakeholders as well as to achieve the sustainable business growth.
- 15.2 IEC shall be committed to carrying out business activities by introducing a policy to encourage IEC personnel at all levels, including all directors, management, and employees, to collaborate to fulfill the missions according to their responsibilities, adhering to the code of ethics and principles of good corporate governance of the Company and taking into account the principles of human rights and labor; the remuneration of employees corresponding to the operations results of the Company, both short-term and long-term, both employees and stakeholders involved in the value chain of the business, shall be considered on a fair and transparent basis, as required by related regulations, laws and standards.
- 15.3 Since IEC puts a high-priority focus on the sustainable business growth, IEC is committed to the administration practices that are based mainly on the principles of good corporate governance, risk management, and the audit processes in all work procedures, in a comprehensive, transparent and fair manner.
- 15.4 IEC shall be committed to product development, responding to economic, social and environmental needs, including the stakeholders; IEC shall hold accountability for the products and processes, not only restricted to just the compliance with rules, regulations and laws, but also focused on reducing the potential impacts on the communities, society and environment, including building up the coexistence between the business and the community as well as respecting the rights of the stakeholders; IEC shall also be committed to sustainable development of surrounding communities and continual staff development on issues concerning environment.

15.5 IEC shall ensure that disclosure policy is in place, including communication with stakeholders with accurate information in a timely, effective, and efficient manner, on an equal, transparent and fair basis, by complying with sustainable development reporting framework prescribed by the Global Reporting Initiatives (GRI).

Regarding this subject matter, IEC personnel at all levels shall have obligations and responsibilities in performing their duties by adhering to the sustainable development management policy and in supporting and pushing forward the compliance with the defined policy.

16. Policy on Human Rights

The International Engineering Public Company Limited well recognizes and realizes the importance of human rights, righteousness under the Constitution, nondiscrimination, respect for privacy, and fair and non-exploited employment. IEC directors, management, employees, including the executives and employees of the affiliates, are expected to involve in the implementation of the policy on human rights, as follows:

IEC shall ensure that the personal information of employees -- such as employment history, health records, and so on -- will be kept confidential and not be disclosed to public. Regarding this, disclosure of confidential information shall constitute a violation of privacy rights and a disciplinary offense, unless this is conducted in accordance with IEC regulations or with permission from the owner of the information, only.

IEC directors, management, employees, including the executives and employees of the affiliates, shall not take any action that is considered as a violation based on concepts and viewpoints, race, complexion, religion, gender, sexual orientation, nationality, and age, according to basic human rights principles.

IEC commits to equitable and fair treatment of all employees in accordance with regulations, laws and standards governing fair employment.

The submission of complaints on human rights violations:

Any person encounters or witnesses any violation of human rights, he/she is encouraged to submit the complaint or evidence of such human rights violation to:

Group President
The International Engineering Public Company Limited
408/37, 9th Floor, Phaholyothin Place Building, Paholayothin Road
Samsen Nai, Phaya Thai
Bangkok
10400

Or send an email to: groupresident.iec@gmail.com

Frequently Used Terms and Definition

IEC	means	The International Engineering Public Company Limited.
IEC affiliate	means	the subsidiaries and associates of IEC.
Board of Directors	means	the Board of Directors of IEC.
Director	means	directors of IEC.
Executive or Management	means	group president, chairman, executive chairman, vice chairman, senior executive vice presidents, executive vice presidents, vice presidents of IEC.
Employee	means	employees, contract employees and associate employees of IEC and/or IEC affiliates.
Stakeholder	means	the Board of Directors, management, employees, shareholders, customers, trade partners, competitors, creditors, society, community, environment, government agencies, and related organizations.
Audit	means	the review or recheck of operating performance, procedures, conditions, incidents or documented reports.
Connected transaction	means	a connected transaction according to the requirements prescribed by SET or any transactions in which IEC or its subsidiary engages with the directors, management or related persons according to the laws governing securities and exchange.
Related company	means	a corporation/partnership or other legal entity under Section 258 (3) to (7) of Securities and Exchange Act B.E. 2535 (1992).
Conflict of interest	means	any operational activity that personal needs or preferences of any related party, by blood relationship or otherwise, could influence the decision-making that may hinder or impede benefits of IEC and/or IEC affiliates.
Other benefit	means	any item of value, including discounts, services or entertainment, training, or any other items of a similar nature.
Person with blood relationship	means	grandparents, parents, children, and siblings of full or half blood.
Close relative	means	uncles, aunts, spouses, children's spouses, adopted children.