

ITALIAN-THAI CORPORATE GOVERNANCE

2021 (revised version)

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Corporate Governance

With experiences over half century in construction industry, the key perception that drives us to operate the business is not only to gain financial profit, but also 'trust' from stakeholders. By this recognition, in 2004 the Board of Directors then agreed to approve the very first ITALIAN-THAI Corporate Governance Handbook, considered as guideline carrying the philosophy, policy and proper manners that the Company's staff in all levels shall hold and strictly follow.

The Company applies the core principles of good corporate governance, indicated by The Securities and Exchange Commission, Thailand as listed:

- 1. Fairness**
The equality of treatment to stakeholders.
- 2. Transparency**
The accuracy and clearness of the information the Company discloses.
- 3. Integrity**
The morality and integrity that the Company sets and literally applies on operation.
- 4. Responsibility**
The full acceptance of authorities the Board of Directors are given to act on behalf of the Company.
- 5. Accountability**
The obligation and responsibility to clarify the corporate action and decision with reason.

The handbook shall be annually reviewed by the Board of Directors in accordance with current situations. By the latest review in 2020, it is assessed by the relevant organization and regulator as follows:

**97
PERCENT**

the assessment results for 2020 Annual General Meeting of Shareholders by Thai Investors association

VERY GOOD

the assessment results for 2020 Corporate Governance Report of Thai Listed Companies by Thai Institute of Directors Association.

Corporate Governance Policy

The Board of Directors determines the Corporate Governance Policy by outlining the Principle of Good Corporate Governance for Listed Companies for the Stock Exchange of Thailand (SET) to be 5 principles as prominently listed:

1. Rights of shareholders

The shareholders basically reserve the right to be the corporate owner, and also reserve the rights to operate the Company by nominating directors. Then, the Company shall reserve the shareholders' basic right to be fully exercised by the directions as below:

1.1

The rights to sell, buy, or transfer shares, to receive the corporate profit, and importantly to receive the corporate information with accuracy and well-rounded detail in time via accessible channel.

1.2

The rights to attend the meeting of shareholders to fully express their rights to vote in any relevant concerns.

1.3

The rights to appoint or relieve directors and auditors, and to be a part of any significant corporate decisions as dividend allocation, corporate regulations amendment and connected transactions approval.

2. Equitable treatment of shareholders

2.1

The Company shall give the shareholders an opportunity to express their opinions, complaints, or inquiries, and to propose the agenda to the meeting of shareholders with regulations applied.

2.2

The Company shall ensure that the meeting notification will be distributed with complete information as meeting location, date and time, meeting agenda, proxy and other supporting documents both in Thai and English.

2.3

The Company shall ensure that the shareholders will get the opportunity to raise their inquiries regarding the meeting agenda prior to the date of meeting with accessible channel provided.

2.4

The Company shall hold the meeting in the proper place and time aiming to facilitate all shareholders for most attendants.

2.5

The Company shall ensure that the meeting arrangement will be run with equality for all shareholders.

2.6

The Company shall ensure that the Chairman, the Board of Directors, the Chairman of the Audit Committee, the President, and the Director will all together attend the meeting to respond inquiries raised by the shareholders.

2.7

The Company shall disclose the voting result of each agenda proposed to the meeting.

2.8

The meeting resolution altogether with voting result in each agenda in the meeting shall be disclosed in next business day after the meeting date via SET disclosure system and the company's website.

2.9

The minutes of the meeting of shareholders must be disclosed with complete information on the Company's website within 14 days after the meeting date.

2.10

One share shall have one vote in vote-casting.

3.Role of stakeholders

The stakeholders must be treated and reserve their rights under the law and regulations related. There are 6 major stakeholders that the board of directors mainly concerned.

3.1 Shareholders

The Company shall hold the common interest of all shareholders as the main concern to operate the business. Also, the Company shall disclose the corporate information with completeness, accuracy, and punctuality.

3.2 Staffs

The Company shall treat the staffs with fairness, respect and honor in terms of payment, welfare, human resources development, occupational health and safety under law and regulations as well as human rights.

3.3 Clients

The Company shall deliver the clients with best quality product and service in reasonable price. The company shall also strictly hold the clients' confidential and follow the condition agreed.

3.4 Partners and Creditors

The Company shall not take any corrupted actions with partners and creditors. The Company shall also strictly follow the conditions agreed with the creditors relevant to any financial concerns; expense spending, capital management, repayment, quality control, security guarantees, due payment and other matters agreed.

3.5 Competitors

The Company shall operate the business with transparency, and neither seek the competitors' confidential information nor ruin their reputation by any chances.

3.6 Public

The Company shall seek the opportunity to contribute the public by making Corporate Social Responsibility (CSR) activities in several dimensions, and also considerably support any activities that will be able to root a CSR mindset into the staffs. Moreover, the Board of Directors properly decided to disclose all CSR activities the Company joined all the year round on form 56-1, Annual Report, and the Company's website (www.itd.co.th) as well.

4. Disclosure and transparency

The Board of Directors shall have the responsibility to disclose the corporate information with transparency, accuracy, completeness, and punctuality in accordance with SET and SEC regulations by the guideline set as follows:

4.1

The Company shall disclose the accurate and complete corporate information on time through accessible channels.

4.2

The Company shall clarify on any news or rumors that might impact on security investing.

4.3

In case there is any irregular actions on security transacted, the Company shall consider whether or not any business operations shall be involved with.

4.4

The Company shall not disclose any corporate information with overstated contents that might be consequently impacted on investment decision. The Company then assigns Corporate Services Division to be the center of Investor Relation to provide, publicize and disclose the corporate information to investors, shareholders, analysts and interested people via accessible channels as SET disclosure system and company's website (www.itd.co.th) under guidelines on disclosure of information of listed companies of SET.

5. Responsibilities of the Board

The Board gives precedence to the Corporate Governance Policy in order to be the guideline for transparency of the Board's responsibilities. The Corporate Governance Policy is stipulated in accordance with the Corporate Governance Code by Securities and Exchange Commission, and could potentially divided into 8 significant parts as follows:

5.1 Role and Responsibilities of the Board in Leadership Awareness

5.1.1

The Board demonstrates a thorough understanding of its leadership role, assumes its responsibilities in overseeing the Company, and strengthens good governance, including defining objectives, determining means to attain objectives, together with monitoring, evaluating and reporting on performance.

5.1.2

To achieve sustainable value creation, the Board exercises its leadership role and pursues the following governance outcomes: competitiveness and performance with a long-term perspective, ethical and responsible business, good corporate citizenship and corporate resilience.

5.1.3

The Board ensures that all directors and executives perform their responsibilities in compliance with their fiduciary duties and that the Company operates in accordance with applicable law, standards and the resolutions of the shareholders' meetings.

5.1.4

The Board demonstrates a thorough understanding of the division of Board and Management responsibilities. The Board clearly defines the roles and responsibilities of sub-committees and managements, also monitors their proper performance of their duties.

5.2 Define Objectives that Promote Sustainable Value Creation

5.2.1

The Board shall define objectives in order to promote sustainable value creation, and governance outcomes with primary concerns on corporate sustainability of company, stakeholders and the public.

5.2.2

The Board shall ensure that the Company's objectives, goals, strategies, annual plans are consistent with the main corporate objectives, while utilizing innovation and technology effectively.

5.3 Strengthen Board Effectiveness

5.3.1

The Board is responsible for determining and reviewing the Board structure in terms of size, composition, and the proportion of independent directors mainly for accelerating the Company's objectives achievement.

5.3.2

The Board is responsible for holding the Board of Directors' meeting at least once a quarter in order to review the operational result and other matters may concern. In each, the Company shall regularly send all attendees an invitation letter attached with meeting handbook in seven days prior to the day scheduled for the meeting to begin, making sure they shall be able to prepare themselves before each meeting begins.

In addition, a quorum shall be constituted by two-third of total directors. The frequency of the Board of Directors who attended the meeting shall be disclosed on form 56-1 and Annual Report.

5.3.3

The Board shall recruit and appoint the qualified person as the Chairman, and ensure that the Board composition and operation must enable the Board to exercise its independent decisions on any corporate affairs.

5.3.4

The Board shall ensure that the director selection and nomination procedure shall be made through clear and transparent processes aiming to obtain the ideal and qualified directors.

5.3.5

When proposing director remuneration to the shareholders' meeting for approval, the Board shall consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and Company performance, and provide incentives for the Board to lead the Company in meeting its objectives in the short term, and long term.

5.3.6

The Board shall ensure that all directors, and also CEO are properly accountable for their duties, responsibilities and actions, and also allocate sufficient time to respond their duties with effectiveness by not holding an office in more than five (5) listed companies.

5.3.7

The Board shall ensure that the Company's governance frameworks and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment, as appropriate.

5.3.8

The Board shall conduct an annual self-assessment for the Board and committees as a whole and individual assessment. The assessment results shall be used to strengthen the effectiveness of the Board.

5.3.9

The Board shall ensure that the Board in whole and each director understand their roles and responsibilities, the nature of the business and relevant law and standards. The Board should promote all directors in developing their capabilities, and refreshing their skills necessary to carry out their roles properly assisting by qualified company secretary.

5.4 Ensure Effective CEO and People Management

5.4.1

The Board shall ensure that a proper mechanism is in place for the nomination and skill development of both Chief Executive Officer and key executives to ensure that they possess the qualified knowledge, skills, experience and characteristics necessary to productively achieve the corporate objectives.

5.4.2

The Board shall ensure that an appropriate remuneration structure and equitable performance evaluation are in place including an appropriate benefit or welfare provided to employees.

5.4.3

The Board shall consider their responsibilities in the context of the Company's shareholder structure and relationships, which may impact on corporate management and operation.

5.4.4

The Board shall ensure that the company will have the effective procedures on human resources training and development to keep the staffs appropriately knowledgeable, skilled and experienced.

5.5 Nurture Innovation and Responsible Business

5.5.1

The Board shall prioritize and promote innovation that creates value for the Company and its shareholders together with benefits for its clients, stakeholders as well as the environment, in support of corporate sustainable growth.

5.5.2

The Board shall encourage the management to operate the business with responsibility towards society and environment in accordance with the Company's operations plan. This is to ensure that every division and function in the Company shall adopt and carry out the Company's objectives, goals and strategies.

5.5.3

The Board shall ensure that management will allocate and manage concerned resources efficiently and effectively throughout all aspects of the value chain to enable the Company to meet its objectives

5.5.4

The Board shall establish a framework of IT management that shall align with the corporate requirement in order to stimulate business opportunities and performance, strengthen risk management, and support the Company's objectives.

5.6 Strengthen Effective Risk Management and Internal Control

5.6.1

The Board shall ensure that the Company has effective and appropriate risk management, and internal control systems that are aligned with the Company's objectives, goals and strategies and complied with applicable law and standards.

5.6.2

The Board shall establish an audit committee that can act effectively and independently.

5.6.3

The Board shall empower as well as facilitate the audit committee with proper facility to perform its responsibility.

5.6.4

The Board shall manage and monitor the conflicts of interest that might occur between the Company and directors, management, and shareholders. The Board should also prevent the inappropriate use of corporate assets, information and opportunities, including with inappropriate transactions made with related parties.

5.6.5

The Board shall establish a clear anti-corruption policy and practices, including set up the effective procedure to handle with complaints and the proper whistle-blowing channel.

5.6.6

The Board shall define the board of directors, and executive management to report to the Board the changes in securities and derivatives holding 1 day in prior of the date the transaction will be made.

5.6.7

The Board assigns the Board of directors, and the executive management to report to SEC regarding the changes in securities and derivatives holding report (Form 59) within 3 business days after the transaction is made.

5.7 Ensure Disclosure and Financial Integrity

5.7.1

The Board must ensure that the disclosure of corporate financial report and other necessary information shall be processed consistent with completeness, accuracy, punctuality, and applicable requirements.

5.7.2

The Board shall monitor the corporate financial liquidity and solvency.

5.7.3

The Board ensures that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated with consideration of stakeholder rights.

5.7.4

The Board shall ensure that the corporate social responsibility (CSR), and sustainability report will be made appropriately.

5.7.5

The Board shall ensure that the Company will possess a dedicated center responsible for Investor Relations function to provide the regular, effective and fair communication with shareholders and other stakeholders as analysts, or potential investors.

5.7.6

The Board ensures that the company shall disseminate corporate information through effective use of information technology.

5.8 Ensure Engagement and Communication with Shareholders

5.8.1

The Board shall ensure that shareholders will have the adequate opportunity to participate in a significant corporate decision-making, and be facilitated for corporate activity as the shareholders' meeting.

5.8.2

The Board shall ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure that all shareholders shall be treated by inclusive and equitable manner in order to be capable to exercise their rights.

5.8.3

The Board shall ensure that the disclosure of Shareholder Resolutions and preparation of the Minutes of the Shareholders' Meetings shall be disclosed with accurate information, and timely manner.

Business Ethics

- **Ethics on Law and Human Rights Abiding**

The Company is determined to operate the business transparently, and to abide by the law of the country we operate in and by the Universal Declaration of Human Rights. The Company shall ensure to be reliable to all staffs equally by providing fair amount of returns both short and long-term, providing appropriate welfare, and arranging potentials development sessions impartially and regularly, to name a few. The Company would also establish safe workplace, and safety system in field work. We would treat all staffs with respect and politeness regard for human dignity. Moreover, several channels to raise the complaints with proper procedures to handle those complaints are effectively set.

- **Ethics on Shareholders Responsibility**

The Company aims to operate with responsibility to create the highest benefit for our shareholders, and to cater fair returns. Moreover, we also provide proper and adequate information on which the investors could base their decision in due time.

- **Ethics on Conflict of Interests**

It is the Company's objective is to secure the best interests for our shareholders; thus we regulated a code of conduct. The regulation is set to avoid any conflict of interests and covers 2 aspects as follows:

- **Related-Party Transaction**

The Company is to carefully consider the appropriateness before proceeding any related party transaction and regulating prices and conditions of the related party transaction on the Arm's Length Basis. The Company is to reveal any transactions of the related parties to the Shareholders if the transactions are under the Notification of the Board of Governors of SET, and report to the Board of Director as well as disclose the important details of the connected transactions in Form 56-1 and the annual report for transparency by the fact that to enter into a connected transaction with significance, it must be considered and approved by the Board of Directors of the Company.

- **Other Circumstances that Conflict of Interests may Occur**

The Company has regulated on conflict of interest issues mitigation such as occasions as follows:

Normal investment

The Company will not allow staff who hold shares of other company or benefit from other company/partners that the Company is in business with, to participate in decision making on matters that have to deal with company/partner in question except they are approved by the president. However, holding shares of any listed companies, or investing in consolidated funds or other investment units are not listed as conflict of interests if the actions do not affect working performance for the Company.

Gift Receiving

Staffs should not accept gifts, tickets, accommodations that are offered privately if acceptance means the company will have to oblige by any conditions or to lose in any way.

Academic projects, public service participation and positions acceptance.

Staffs will have to be approved by the their line Vice President to work in professional institute, in lecturer position, join in public services, or accept any other position that would increase personnel's vision and experience. The staff who has been approved must be aware that s/he should use his own behalf, not in a name of the Company in whole, or should not claim his own position in the Company in the outside activities, except approval is granted.

- **Ethics on Inside Information Control**

The Company values the importance of the Inside Information control since internal information such as bidding, construction planning, bond and other information that have to do with business operation is one of the factors to the Company's success. These information can affect the business sustainability and the security of career in all levels, the company therefore establish this code to prevent any revelation including those unintended.

Internal Information Management Internal Information Disclosure

Electronic document and memo control

The Company regulated a code of conduct under ISO system of quality management, environment, and Occupation Health and Safety Management System. This code covers types of controlled document, related persons responsibility and procedure.

Access and Degree of Confidentiality

Access and Degree of confidentiality are to be sorted under rates of importance. Uses of internal information has to be under their responsibility and assignment, as should be known to responsible persons only and has to be notified of restriction.

Disclosure to outsider

Any information to disclose to the public must be approved by the President, and only the President or a staff member assigned by the President is authorized to disclose the information. The information related to joint ventures must also be prior approved by the joint partners. The Corporate Services Division is responsible for disclosing information to the public by coordinating with the activity owner to prepare fact sheets and concluding the information which has to be approved by the President prior to disclosure at all times.

Opinions Expression to Outsiders

All staffs shall not disclose or express any opinion when asked by outsiders except if it is the duty to answer such questions; if not, refuse to answer them politely, and recommend that they should contact the Corporate Service Department instead.

Personal Data Protection Policy

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• Ethics on Occupational Safety and Health

The Company recognizes an important of occupational safety, health, and working environment which affect to our employees. The Company, therefore, has established the policy on the said issue as follows;

- Abiding by measures, regulations, and laws related to Occupational Safety, Health, and Working Environment.
- Determining to secure workplace safety and good health to prevent accident and sickness caused by workplace environment and to lower risks in all aspects.
- Determining to secure occupational safety, health, and working environment and to continually practice in accordance with Occupational Safety, Health, and Working Environment control.
- Encouraging staff in all levels to acknowledge the importance of staff Occupational Safety, Health, and Working Environment in order to enhance efficient.
- Revising and developing procedure plans Occupational Safety, Health, and Working Environment consistently to succeed as aimed.

• Ethics on Procurement

The Company values the importance of procurement procedure which is one of the significant aspect of business operation. Since the procurement procedure and result shall naturally affect the cost, quality, and performance specification, the Company has set the procurement code of ethics that is justified and transparent by considering the most benefit of the Company and interested persons.

- Abiding by measures, regulations, and laws related to the Company's procurement.
- Considering quality, cost, services, speed and accountability of the provider on the effectiveness of the work.
- Proceeding justly and transparently in procurement procedure on the Ethics basis and the benefit of the Company.
- Retaining from taking part in any procurement procedure which the provider is related to self, or related to misconduct or illegal activities.
- Retaining from utilizing information for private activities.
- Retaining from disclosing providers' information or obtaining providers' information for private activities.
- Disclosing the Ethics on procurement to staff of all levels including interested providers.
- Procuring on public services are to base on the ethics on Procurement and to be considered out of business.

• **Ethics on Intellectual Property**

To make an intellectual property become efficient, the Board of Directors has defined the ethics as follows:

- Providing some training courses and/or broadcast an existing Intellectual Property law used in Thailand and Thailand still has international trade commitment negotiation which the law shall be issued covered other types of intellectual property in the future.
- Encouraging staffs to be creative and create some works related to intellectual property to benefit to the Company.
- Supporting staffs to help each other take care of intellectual property which owned by the Company or affiliates not let other people take use of it without permission.
- When staffs are terminated, all intellectual properties shall be transferred back to the Company no matter how the information is recorded.

• **Ethics on Clients Relation**

The Company is determined to fabricate the work and service with quality and on standard with reasonable price, including consistently hold clients' information as internal information. Furthermore, it is the priority to maximize our potential to the client benefit. The Company shall abide by regulations regarding to our client and conduct satisfactory survey routinely.

• **Ethics on Business Partners and Creditors Relation**

The Company is determined to work with partners and creditors with honesty and to abide by the regulations regarding financial use, capital management, payment, to name a few.

• **Ethics on Business Competitor Relation**

The Company shall operate the business under a fair competition notion; retain from obtaining business information that is confidential by means of corruption or disregarding other's reputation.

• **Ethics on Environment Responsibility**

The Company aims to raise awareness that every work activities may have effects on the environment: soil, water, air or sound. Thus, the Company regulate the Ethics on Environment Responsibility as follows:

- Abiding by measures, regulations, and laws related to Environment Responsibility.
- Determining to decrease the effect in terms of waste in every activities:
 - campaign on effective use of resource
 - waste control
- Raising awareness on effective use of resource, raise potential of controlled procedure and prevent impact to the environment.
- Revising and improving work plan the related to environment impact to reach the objectives posted.

Code of Conduct

1. Code of Conduct - Directors and Management

In the fact that the Board of Directors are the leader who directs the business direction, the Company then agrees to conclude the Code of Conduct particularly for Directors and Management to be the guideline for proper behavior and action which may reflect to their responsibility, awareness, and integrity. The Code is potentially divided into 6 parts.

1. Towards the Company/ Shareholders

- To exercise their duties with honesty and to make decisions in good faith and fairness to major and minor shareholders for the optimum benefit of all shareholders.
- To manage the organization with care and forethought.
- To not relate with any form of bribery in order to earn either personal or corporate benefit.
- To perform their duties with best attempt, knowledge and optimum skills in any cases.
- To supervise and manage any assets of the Company in such a way that they shall not be depreciated or lost without reasonable cause.
- To set up the procedure to report the Company's status with punctuality, and completeness.
- Not to seek benefits for themselves, or closely connected persons by disclosing any corporate information to outsiders, in particular competitors.

2. Towards the Staffs

- To provide the fair returns to staffs.
- To comply any laws or regulations in related with employee treatment.
- To treat all staffs with respect and politeness regard for human dignity.
- To highlight on human resources development by arranging potentials development sessions.
- To focus on occupational health and safety in the workplace.
- To promote and transfer staffs, including giving reward and punishment, shall be based on the loyalty, knowledge, and capability of each staff.
- To prevent any unfair actions that might threaten or against the human right
- To encourage staffs to acknowledge the code of conduct.
- To provide the accessible channels they can raise the complaints with effective procedure to handle

3. Towards the Clients

- To deliver the products and services with optimum quality.
- To appropriately assure the products and services.
- To strictly and continually maintain the client's confidentiality and not to unjustly use the client's information for their own interests.
- To exercise an effort to minimize production costs, but still maintain the same standard and quality of products and services at all times
- Not to charge the clients with exorbitant price in comparison of the quality of the products or services, including not to set unfair trading terms.
- In case any conditions cannot be fulfilled, to inform the clients in advance in order to find mutually accepted solutions.

4. Towards the Partners/ Creditors/ Debtors

- Not to solicit for, or take, or give any benefits in bad faith in dealing with the business with the partners and/or creditors.
- To strictly follow the stipulated conditions agreed with the creditors no matter whether they concern expense spending, capital management, repayment, quality control, security guarantees and other matters agreed with the creditors including due payment.
- In case any condition cannot be fulfilled, to inform the creditors in advance to find mutually accepted solutions.
- To provide correct and punctual financial reports to the creditors.

5. Towards the Competitors

- To operate the Company's business under transparent competition.
- Not to seek for competitors' confidential information through deception.
- Not to destroy competitors' reputation without fact or evidence.

6. Towards the Society and Public

- To return a certain part of the corporate profits to the activities that showing the mindset of Corporate Social Responsibility (CSR) on a regular basis.
- To support any activities that will be able to root a CSR mindset into all staffs.
- To practice and to comply the laws and regulations related to be practiced across the organization.

2. Code of Conduct - Staffs

- To perform their duties with honesty and perseverance.
- To firmly follow the corporate regulations, and norms.
- To respect the human dignity of another staffs.
- Not to accuse executives and other colleagues without fact.
- To neither give nor take the benefit in any form with corrupt actions for personal or corporate benefit.
- To maintain and do any actions in order to build a positive safety workplace.
- To prevent any actions that may affect the negative corporate reputation.
- To keep the corporate confidential information including with the clients' and partners'.
- To create the unity in the workplace.
- To undertake any activities that may increase the Company's quality, and improve its operational excellence.
- To maintain and manage any assets of the Company in such a way that they shall not be depreciated or lost without reasonable cause.

Risk Management Policy

The Company distinctly understands that the effective risk management is fundamental key for the Company achievements. The effective practice can provide the company with longer vision to look after all projects, or even better pathway to secure its step to go on further. Therefore, the Board of Directors then appointed the Risk Management Committee in 2010 to be responsible to review the company's risk management policy and major framework including a financial risk, investment risk, operational risk, and corporate reputation risk.

The committee is also responsible for setting appropriate measurement of risk management to support the decisions of the Board of Directors or Management, especially the investment activities which may significantly affect the business or financial status of the Company. Moreover, the Committee shall balance the business growth and productivity at an acceptable risk level.

Internal Control & Internal Audit Policy

The Company has implemented efficient internal control system which comprises of five following components;

1. Control Environment

The Company has set priority to maintain a good environment as important factors in its internal control as follows;

- Determining the clear policies, goals, operational direction and performance evaluation of the Company.
- Issuing the Code of Conduct as guiding principles for directors, management, and staffs in their duties.
- Establishing an organization structure and administration with appropriate roles and functions by the fact that the construction business is growing rapidly so the Company needs to adapt itself to go along well with the present situation by establishing a construction department in a way of Business Unit (BU) having a Senior Vice President responsible for any projects under its BUs with full competency.
- Setting clear job description and work manual to help the performance of all departments to be in line and full compliance.
- Holding the training courses in accordance with the Company's training policy under competency-based principle in order to optimally increase the staffs' productivity.
- Establishing the Audit Committee consisting of 3 Independent Directors to oversee the good corporate governance practices and act on the matters as directed by the Board of Directors by the Board of Directors stipulated the roles and responsibilities of the Audit Committee in written.

- Establishing the Internal Audit Division to audit the operations of all business and supporting units to ensure that the internal control systems shall be an adequate and efficient.

2. Risk Management

- The Company gives precedence to the risk management because the risk management will help the Company achieve the defined goal, generate good result operation and the performance will be in line with its policies based on the Risk Management Standard by SET. The Company has assessed both inside and outside risks with the aim to provide appropriate and effective risk management to prevent or reduce risk impacts.

3. Control Activities

- The Company has established the policies, plans, and budgets together with guidelines and the relating regulations with clear accountability and authorization to ensure that the managements and staffs carry out their duties correctly and in compliance with the Company's risk responses.

4.Information and Communications

- The Company has set the efficient communications system especially via SAP, email and intranet to ensure right, adequate, and timely flow of information to support the decision making, so that the managements and staffs can readily achieve work objectives with efficiently.
- The Company has assigned the Corporate Services Division to be taking roles of Investor Relations in order to give the corporate, financial and other information to the shareholders, analysts, investors or public.

5.Monitoring

- The Company has assigned the Internal Audit Division to be responsible for internal auditing and reports directly to the Audit Committee and the Management. If they find any risks which may significantly affect the Company, they will report to the Management for providing measures to control its effects. The examined department is given a suggestion to improve its operation or strengthen its policy in work control. The Internal Audit Division will follow and assess the operation including report its result to the Management and the Audit Committee of the Company. The Audit Committee shall agree that the Company's internal control system is proper and efficient through the Internal Control Sufficiency Evaluation, eventually reflecting as a yearly report of Audit Committee disclosed in the Company's annual report.

Corporate Social Responsibility Policy

Social Responsibility is one of ethics and principles the Company highly pays attention in order to build the sustainable step for corporate operational growing path. Hence, the Company sets up the policy that corporate social responsibility involved to be the well-defined guideline that can lead the Company to meet its objectives.

The corporate guiding policy is based on the Corporate Social Responsibility guideline for companies of SET, and briefly adapted to ensure that all significant aspects shall be mainly focused. It can be listed as 6 prominent points;

1. Good Corporate Governance

The Company shall set up the effective practice on Corporate Governance Policy aiming to build the strong confidence on all stakeholders for corporate sustainable growth.

2. Corporate Operation with Fairness

The Company shall run the business with a determined principle that ungreediness and proper operation will certainly create the long-term success by setting up the effective framework practice.

3. Human Rights and Fair Treatment in workplace

The Company shall maintain the considerable working environment, and encourage or support all staffs to be trained and higher promoted in working skills.

4. Responsibility on Stakeholders

The Company shall standardize, and maintain the quality of products and services.

5. Involvement of Community and Society Development

The company shall be the major part to support and develop the community and society in several highlighted dimensions as an education, human resource, hiring, and quality of life.

6. Environment Maintenance

As holding the strong belief that the environment maintenance is one of prominent factors that makes company successful, the Company then shall prevent any actions that will cause the negative effect on environment by the business operation.

Moreover, the Company regularly discloses the intensive content and progress on Corporate Social Responsibility and action all the year round on form 56-1, annual report, and the company's website (www.itd.co.th) as well.

Anti-Corruption Policy & Prevention

Anti-Corruption Policy

The company realizes that the effective and practical anti-corruption policy for the staff in all level shall be the guideline to keep them on track with proper practice.

In brief, the Company then sets up the policy and prevention code to guide the staffs in all levels to reject any actions that possibly be related with corruption. It shall be annually reviewed and updated to get along with current context and the organization culture with honesty, morality, and fairness.

Role and Responsibility

the Board of Directors

The Board of Directors has the role to define the policy, conduct the effective anti-corruption system, and revise the policy in accordance with any changes concerned as corporate changes, regulations, or legal contexts.

Audit Committee Member

The Audit Committee Members have the role to verify the financial and accounting reports, internal control system, internal audit system, risk management system, and any corruption complaints to ensure all concerns will be run without undesired practices.

Risk Management Committee

The Risk Management Committee has the role to estimate as well as manage any risks the corrupted actions might involve. Moreover, the committee has to provide and guide the Audit Committee Members effective practice and prevention.

Internal Audit Division

The Internal Audit Division is to regulate measures and preventions regarding anti-corruption policy, to verify risk assessment, and to assess and report the internal control evaluation to interested persons; Company Secretary, Personnel and Legal Division, Investigation Committee, and Risk Management Committee e.g. in cases of any policy issues not being abided by or any corruption-prone suspiciousness.

the Management

The Board of Management has the role to follow the policy, and raise awareness for all staffs to ensure that they strictly follow the policy.

Staff

The staffs have the role to comprehend, firmly follow the policy, co-operate as information provider, and attend the training courses provided.

The Anti-Corruption Practice and Prevention

1.

Staffs in all levels must follow the anti-corruption policy and prevention, and business ethics. They all shall not involve with any corrupted actions in any ways for the Company's, and their own profit.

2.

The Company shall set up and provide the effective auditing system for all aspects of overall operation as management, internal information control or procurement.

3.

The Company underlines on actions that may possibly relate to corruption by the significant topics as below

- Entertainment

The entertainment (expense) for a person or a group of person shall be spent in the proper occasion.

- Gift

To give or received the gift between company, person or group of person shall be done in the proper occasion.

- Donation

To give or receive money, stuffs or any beneficial things between person, company, or any organization.

All mentioned above shall be made basing on the proper occasion under the laws and regulations currently concerned without an intention to take personal or corporate benefit in any cases.

- Political Support

The Company stays neutral in political issue, and has no political support policy for a particular politician or party, but any legal support that may contribute to democracy shall be excepted.

- Activity Fund Support

The Company shall carefully consider the projects or activities to offer the fund support, but the consideration will mainly be based on the Company's policy and law.

4.

The Company firmly follows the regulations required by government and private partners to disclose significant corporate information per required, as annual financial statement, Form 56-1, Annual Report (56-2), or shareholders' list (Bor Mor Jor 006).

5.

Staffs in all level must not tolerate with any actions against the policy by being the whistle blower in the channels the Company provided.

6.

The Company agreed to sign the Integrity Pact as required for all government projects as required.

Communication and Training

Communication

The Company discloses the policy and prevention code in ITALIAN-THAI Corporate Governance on website, intranet, and email circulated to staffs in all level.

Training

The anti-corruption courses integrated in several courses the Company held as staff orientation, and other seminars to ensure all staffs shall acknowledge and firmly aware on the importance of this matter.

Whistle-blowing

The Company authorizes the Corporate Services Division as a responsible authority to manage incoming compliant and tips (whistle-blowing case) and to consider proceeding as they see appropriate. The procedure is set and described in **Complaints & Whistle-blowing Policy**.

Penalty

The penalty shall be taken in accordance with the Company's regulations and/or any law concerned.

Certification of Anti-Corruption Policy

The Company regularly attends the yearly assessment, Corporate Governance Report of Thai Listed Companies (CGR Report) initiated by Institute of Directors (IOD) to be assessed and ranked for the effectiveness of this policy.

Complaints & Whistle-blowing Policy

Complaints Policy

The Company set a measure and regulation regarding complaints management and procedure for cases such as when related persons encounter violations or disobedience of laws, rules, regulations, corporate governance or ethics, action that could lead to corruption, or internal work neglect/deficiency, to name a few.

The Company authorizes the Corporate Services Division as a responsible authority to manage incoming compliant and tips (whistle-blowing case) and to consider proceeding as they see appropriate. The procedure includes referring, following up, and regulating the complaint management for related parties such as Company Secretary, Internal Audit Division, Human Resources and Legal Division, or Investigation Committee and the Managements.

The Company specifies data protection measure for persons filing-in compliant and whistle blowers, witness, and related party during the process as protected secret information. The measure is set to protect said persons filing-in compliant and whistle blowers from possible consequences. Protected information access is restricted to responsible persons and the management during investigation and filing.



Corporate Services Division
Company Secretary
Internal Audit Division
Personal and Legal Division
Investigation Committee

Procedure

1. Complaints and tips notice

Corporate Services Division is authorized as the responsible authority to collect Notice, file, and consider referring and/or contacting related party/persons.

2. Fact-check

the Vice president overseeing the Corporate Services Division is to consider or assign investigation and fact-check regarding the complaints and tips including the information liability before considering proceeding.

3. Investigation

the Vice president overseeing the Corporate Services Division is to consider reporting to related person or the management as to have them acknowledged and considered proceeding. The necessity of an Investigation Committee is under the management's consideration. Nonetheless, the matter can be referred to persons in charge of the work unit the matter is required attention if it was set with guidelines or can be identified as reoccurred situation. With all aspects, the matter has to be proceeded in accordance with the Company' regulations.

4. Feedback

after all the process, the persons assigned to oversee the matter report back the process with outcome and solution to the Vice president to file as secretive information. The Vice president give feedback to the person sent in complaint or the whistle blower.

5. Report

the Vice president overseeing the Corporate Services Division is to consider reporting the matter, together with the process, outcome and solution, to the Directors, Audit Committee or the managements on its terms. The persons reported to are to acknowledge and consider specifying preventive measure or adding to the active ones. Every procedure including reporting, the information regarding the complaints and whistle blowing tips are handled secretive restrictions.

Whistle-blowing Policy



Corporate Services Division 38th floor and/or Personal and Legal Division 37th floor
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Appendix

Definition

"Company"

refers to Italian-Thai Development Public Company Limited

"Staffs in all level"

refers to Directors, Management and Staff of Italian-Thai Development Public Company Limited

"Stakeholder"

refers to a person or groups of people either directly or indirectly got the benefit or impact from the business operation

"Entertainment Expense"

refers to costs incurred in socialization associated directly with a business purpose or social etiquette in some occasions.

"Gift"

refers to any items as goods, money or even benefit, given to a person, a group of people or a company in any purpose and occasion.

"Donation"

refers to an action of giving anything in any form for charity, humanitarian aid, or to benefit a cause.

"Bribery"

refers to the act of offering, giving, promising, accepting or soliciting, often illegal and unethical, with someone by the advantage in any purpose in exchange persuading them to do something for you.

"Corruption"

refers to the use of powers for either private or corporate earn.

"Human Right"

refers to the rights inherent to all human beings, regardless of race, sex, nationality, religion, or any other status. All people are entitled to these rights, without discrimination.

"Conflict of Interest"

refers to a situation in which a person or organization is involved in multiple interests, and serving one interest could involve working against another.

"Good Corporate Governance"

refers to the set of rules, controls, and policies put in place to dictate corporate behavior. Good Corporate Governance shall include the corporate information disclosure with transparency to shareholders, and the public.