ESG Commitment

CHEC (Thai) Company Limited

Effective: June 2025

Table of Contents

CHAPTER 1: Preface

Message from Leadership

At CHEC (Thai) Company Limited, we recognize that sustainable development is not merely an aspiration but a fundamental driver of our long-term success. We are committed to integrating Environmental, Social, and Governance (ESG) principles into every facet of our operations. This ESG Commitment Guidebook reflects our dedication to creating value for our stakeholders while fostering a resilient, ethical, and innovative organization that contributes positively to society and the environment.

Purpose and Scope of the ESG Guidebook

This ESG Commitment Guidebook serves as a comprehensive framework to guide CHEC (Thai)'s policies, practices, and performance in achieving sustainability goals. It is designed for internal use by employees and management, as well as external communication with clients, investors, suppliers, and communities. The scope encompasses our operational footprint, strategic initiatives, and stakeholder relationships, aligning with international ESG standards such as the ISO frameworks.

CHAPTER 2: Company Overview

Corporate Profile

CHEC (Thai) Company Limited is a premier construction and engineering firm in Thailand since 1994, specializing in Engineering, Procurement, and Construction (EPC) services, with a focus on infrastructure development, we aim to expand our influence across Thailand, delivering high-quality projects that meet the needs of a rapidly evolving region.

Strategic Objectives

1. Establish leadership in EPC project management and specialized engineering disciplines.

2. Achieve recognition as a leading construction company with a robust portfolio of investment projects.

3. Drive sustainable growth through innovation, operational excellence, and stakeholder collaboration.

CHAPTER 3: Vision, Mission, and Core Values

Vision

To emerge as the preeminent EPC contractor and concessionaire in Thailand, trusted by project owners for reliability, innovation, and sustainability.

Mission

To deliver cutting-edge, sustainable construction services and professional EPC project management for infrastructure projects, offering competitive pricing, exceptional quality, and enduring value.

Core Values

1. **Accountability:** We uphold our responsibilities with diligence, striving to exceed the expectations of our stakeholders through measurable outcomes.

2. **Transparency:** We conduct our operations with integrity, fostering trust through open and honest interactions with employees, partners, and communities.

3. **Sustainability:** We prioritize the harmonious integration of social, environmental, and economic considerations to ensure long-term benefits for all stakeholders.

CHAPTER 4: Sustainability and ESG Philosophy

Commitment to Sustainable Development

CHEC (Thai) views sustainable development as the bedrock of its corporate strategy. We are steadfast in our adherence to principles of innovation, coordination, green development, openness, and sharing, alongside consultation, joint development, and mutual benefit. Our approach balances economic prosperity with environmental stewardship and social equity, ensuring a legacy of positive impact.

ESG Integration Strategy

1. **Top-Level Design:** ESG considerations are embedded in our strategic planning and decision-making processes.

2. **Operational Alignment:** Daily activities reflect targeted sustainability policies across green development, quality enhancement, safety, and stakeholder engagement.

3. **Stakeholder-Centric Approach:** Through continuous dialogue, we address stakeholder expectations, enhancing our ESG ecosystem and fostering mutual growth.

CHAPTER 5: Environmental Stewardship

CHEC (Thai) is committed to fostering ecological harmony and advancing green development as a cornerstone of our environmental strategy.

Environmental Management Framework

1. **Policy Objectives:** Strengthen environmental oversight and ecological protection across all projects.

2. **Resource Efficiency:** Optimize resource use, adhering to local environmental regulations for waste management, water conservation, and emissions control.

3. **Climate Resilience:** Develop comprehensive energy management systems, incorporating electric vehicle (EV) trucks and renewable energy solutions. CHEC (Thai) encourages all project sites to adopt electric vehicles (EV trucks, EV machinery, and EV equipment) as part of its carbon reduction initiative. The company will progressively shift toward electric-powered and low-emission equipment in alignment with market availability and technological readiness. This transition aims to minimize greenhouse gas emissions, enhance operational efficiency, and support Thailand's national sustainability agenda.

4. **Carbon Neutrality:** Actively support regional and global carbon neutrality targets through measurable initiatives.

5. **Waste Management:** CHEC (Thai) implements a comprehensive waste management strategy in alignment with ESG objectives. All project sites shall strictly divide waste into three primary categories:

- **Recyclable Waste** (materials suitable for reuse or recycling),
- **Hazardous Waste** (materials requiring special handling and disposal per environmental regulations), and
- **General Waste** (non-recyclable and non-hazardous materials).

Regular audits and awareness campaigns will be conducted to ensure compliance, reduce landfill contribution, and promote circular economy principles across all operations.

Green Development Principles

1. **Lifecycle Integration:** Embed sustainability into project planning, design, technology selection, and construction phases to minimize ecological disruption.

2. **Biodiversity Enhancement**: Increase green spaces and onsite plantations to preserve and enhance local ecosystems.

3. **Innovation in Practice:** Explore resource-efficient construction methods and industrial structures that align economic growth with environmental conservation.

Climate Action and Resource Efficiency

1. Establish annual targets for reducing energy consumption and greenhouse gas emissions.

2. Implement monitoring systems to track environmental performance and ensure compliance with any relevant international standards.

CHAPTER 6: Social Responsibility

CHEC (Thai) is dedicated to creating shared value through robust social responsibility programs that uplift communities, empower employees, and strengthen partnerships.

Community Engagement and Development

1. **Cultural Integration:** Organize cultural exchange programs tailored to the customs and traditions of project-affected communities.

2. **Public Welfare:** Support education, healthcare, and cultural initiatives through volunteer services and financial contributions.

3. **Disaster Response:** Provide resources and personnel for emergency relief during natural disasters and critical incidents.

Workplace Safety and Employee Well-Being

1. **Safety Systems:** Enhance safety protocols to prevent workplace accidents, supported by regular training and risk assessments.

2. **Emergency Preparedness:** Develop and maintain detailed emergency response plans and inspection mechanisms.

3. **Health and Wellness:** Ensure a safe, supportive work environment that promotes physical and mental well-being, including access to health resources.

Employee Rights and Equity

1. **Equal Opportunity:** Guarantee fair hiring practices and equitable treatment across all levels of the organization.

2. **Labor Standards:** Prohibit child labor and forced labor, ensuring all employment contracts comply with national and international laws.

3. **Employee Development:** Offer competitive compensation, comprehensive benefits, and ongoing professional training programs.

4. **Feedback Mechanisms:** Establish accessible communication channels and grievance processes to address employee concerns promptly.

5. **Local Workforce:** Prioritize the recruitment and development of local talent to support regional economic growth.

Client Relationship Management

1. **Open Dialogue:** Maintain transparent communication with clients through regular updates and satisfaction surveys.

2. **Client Protections:** Standardize complaint resolution processes to safeguard client rights and ensure timely responses to concerns.

Sustainable Supply Chain Practices

1. **ESG Integration:** Incorporate environmental, social, and governance criteria into supplier selection, evaluation, and management processes.

2. **Risk Mitigation:** Proactively manage supply chain risks to ensure continuity and ethical sourcing.

3. **Green Procurement:** Encourage suppliers to adopt low-carbon products and sustainable practices through incentives and collaboration.

CHAPTER 7: Governance Excellence

CHEC (Thai) regards corporate governance as the foundation of sustainable, high-quality development, driving accountability, innovation, and ethical conduct.

Corporate Governance Structure

1. **Framework Design:** Maintain a robust governance system with clear roles for the Board of Directors, management, and operational teams.

2. **ESG Oversight:** Strengthen the ESG management structure to ensure alignment with corporate objectives.

3. **Board Composition:** Enhance the professionalism, independence, and diversity of the Board to reflect best practices in governance.

4. **Transparency:** Improve information disclosure practices to provide stakeholders with accurate, timely insights into company performance and risks.

Compliance and Ethical Standards

1. **Legal Adherence:** Comply with all applicable laws, regulations, and ethical norms through a comprehensive legal management system encompassing contract oversight, internal controls, and compliance audits.

2. **Risk Management:** Implement ISO 9001 - aligned processes for identifying, analyzing, and mitigating operational and strategic risks.

3. **Ethical Culture:** Promote a culture of integrity through mandatory ethics training and whistleblower protections.

Anti-Corruption and Bribery Prevention Commitment

1. **Zero Tolerance Policy:** CHEC (Thai) Company Limited upholds a strict zero-tolerance stance toward all forms of corruption, bribery, extortion, fraud, and unethical inducement, whether direct or indirect, monetary or non-monetary.

2. **Employee Responsibility:** All directors, managers, and employees are strictly prohibited from offering, promising, soliciting, or accepting bribes or any improper advantages in any business dealings. Staff must immediately report any suspected cases of corruption through designated confidential channels.
3. **Third-Party Integrity:** All suppliers, subcontractors, joint-venture partners, and consultants must comply with the company's Anti-Corruption and Integrity Policy. Contractual clauses shall include anti-bribery provisions to ensure ethical conduct throughout the supply chain.
4. **Training and Awareness:** Regular anti-corruption and compliance training shall be provided to all employees to strengthen awareness, accountability, and understanding of legal and ethical obligations under Thai and international anti-bribery laws.
5. **Monitoring and Enforcement:** The company will establish an Anti-Corruption Committee responsible for monitoring compliance, conducting internal audits, and recommending corrective measures. Any violations will be subject to disciplinary action, up to and including termination of employment or contract.

Innovation and Technological Advancement

1. **Talent Development:** Cultivate a skilled workforce capable of driving innovation through targeted training and recruitment.

2. **Digital Transformation:** Accelerate the adoption of digital tools to enhance project efficiency and sustainability outcomes.

Quality Management Systems

1. **Standards Compliance:** Adhere to technical and management standards, including ISO 9001 and ISO 45001, to deliver consistent, high-quality projects.

2. **Quality Assurance:** Implement rigorous inspection mechanisms and continuous improvement processes to meet client expectations.

3. **Performance Tracking:** Monitor quality metrics to ensure alignment with contractual and regulatory requirements.

CHAPTER 8: Implementation, Monitoring, and Reporting

Operationalizing ESG Commitments

1. Assign clear responsibilities to department heads and project managers for executing ESG policies.

2. Integrate ESG goals into annual business plans and performance evaluations.

3. Provide training to employees at all levels to ensure understanding and adherence to this Guidebook.

Performance Metrics and Accountability

1. Develop key performance indicators (KPIs) for environmental impact, social contributions, and governance effectiveness.

2. Conduct quarterly reviews and annual audits to assess progress and identify areas for improvement.

3. Appoint an ESG Committee to oversee implementation and recommend strategic adjustments.

Stakeholder Engagement and Reporting

1. Publish an annual ESG Report detailing performance, challenges, and future targets.

2. Set up the Stakeholder Mind Map and appoint Person-in-Charge to gather input and address concerns, fostering a collaborative approach to sustainability.

3. Maintain a regular updates on Stakeholder Relationship Management on ESG initiatives and performance data.

CHAPTER 9: Appendices

Glossary of Terms

1. EPC: Engineering, Procurement, and Construction
2. ESG: Environmental, Social, Governance
3. ISO 9001: International standard for quality management systems
4. Carbon Neutrality: Achieving net-zero carbon dioxide emissions

Relevant Standards and Frameworks

1. SET ESG Standard Reference
2. ISO 9001: Quality Management
3. ISO 45001: Occupational Health and Safety

CHAPTER 10: Contact Information

For inquiries, feedback, or collaboration opportunities related to CHEC (Thai)'s ESG initiatives:

- **Company Name:** CHEC (Thai) Company Limited
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Closing Statement

This ESG Commitment Guidebook embodies CHEC (Thai) Company Limited's unwavering commitment to sustainable development, ethical governance, and social responsibility. By adhering to these principles, we aim to lead by example in Thailand, delivering value to our stakeholders while safeguarding the planet for future generations. This document will be reviewed and updated periodically to reflect emerging trends, stakeholder expectations, and organizational growth.

On this Date of June 30, 2025

(Mr. Wang Haiguang)

Managing Director