



Energy Absolute Public Company Limited  
Manual

- ❖ Corporate Culture
- ❖ Business Ethics
- ❖ Ethics of directors, executives and employees
- ❖ Good corporate Governance
- ❖ Corporate Social Responsibilities (CSR)
- ❖ Anti-Corruption

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## ❖ Message from Chairman of the Board ❖

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On behalf of the Board of Director of the Company, I would like to inform all stakeholders to aware of the importance and responsibility for the good corporate governance, the Board strive to develop the Company to grow sustainably based on social responsibility and environmentally friendly by adhering to the principles of morality and ethics as the norm in working of the Company. Therefore, this manual is arranged for directors, executives and employees of the Company as the guideline strictly.

The Company also considers that it is the duty and responsibility of directors, executives and employees to perform as specified in the Company's manual strictly.

For and on behalf of  
Energy Absolute Public Company Limited

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(Mr.Somchainuk Engtrakul)  
Chairman of the Board  
14 November 2014

The Board of Directors has defined the “corporate culture”<sup>1</sup> in order to ensure the operation of the company. Being in the same direction, being clear and achieving the objectives according to the goals set the details are as follows:

1) **Vision**

To become the leader of alternative energy by using cutting-edge and environmental-friendly technology for the highest benefit returning back to shareholders, trading partners and employees with fairness.

2) **Mission**

1. To use advanced technology in order to increase production efficiency.
2. To support using energy corps as well as natural energy in order to reduce pollution released to the environment.
3. To support government policy, building the energy security of the nation.
4. To conduct a business based on fairness, build confidence among partners and shareholders.
5. To build a robust foundation on human resource for sustainable and stable growth.

3) **Values – “ FIRST ”**

F = Friend	Friend to all stakeholders
I = Integrity	Conduct business in line with integrity and reliability
R = Resourcefulness	Efficiently use the resources
S = Security	Stability the energy resource
T = Transparency	Operating business with transparency and under good corporate governance

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<sup>1</sup> *Approved by the meeting of the board of Directors No.2/2014 on 11 March 2014*

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## ❖ Business Code of Conduct ❖

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The Board of Directors has established the “**Business Code of Conduct**”<sup>2</sup> for directors, executives and employees to use as a guideline for operations, it is divided into the following topics.

1. Human rights and treatment to employees
2. Communities, societies, environment, health and safety
3. Receiving or Providing Property or any benefits that might motivate the decision
4. Conflict of interest in transactions of the Company
5. Acquisition and disposal assets of the Company and the use of internal information
6. Compliance with laws, regulations, provisions
7. Application of properties, information, IT and intellectual property of the Company
8. Treatment to customers and product quality / marketing communication
9. Treatment to contract parties (trading partner and creditors)
10. Treatment to competitors

The detail of the aforementioned topics are as follows:

### 1. Human rights and treatment to employees :

- Without discrimination: Respect for human rights, without discrimination on the basis of similarity or difference for race, religious, gender, age, education, status, including respect for personal liberty and privacy protection.
- Labor protection:
  - 1) Do not employ labor younger than the legally required minimum age. Should child labor above the legally required minimum age be employed, their legally mandated rights shall be fully protected and proper development and promotion of quality of life and work be provided.
  - 2) Female employees shall not engage in work may harm their health and safety. Pregnant workers shall be protected and provided their legally-mandated benefits.
  - 3) Employment of foreign workers must be fully compliance with the regulatory requirements.

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<sup>2</sup> *Approved by the meeting of the Board of Director No 2/2014, 11 March 2014*

- Prohibition of Involuntary Labor: Do not use or get benefit from forced labor including the use of corporal punishment, threat, confinement at the workplace, coercion, harassment, human trafficking or any other means of violence.
- Wages and Benefits: Payment of wages, overtime pay, and holiday pay, as well as provide legally mandated benefits shall be made accurately, fairly, and not less than the minimum wage according to applicable laws and within the time set. Proper welfare is also provided.
- Working Hours: Do not force workers to work longer than the maximum working hours specified by applicable laws and also provide sufficient break out period during working day. Working overtime or working on a public holiday is voluntary. Workers must be granted holidays and leave as required by applicable laws.
- Have evaluation system, compensation for performance, rewards and penalties based on non-discriminatory justice and explicability.
- Open the opportunity and focus on the development of skills, knowledge and competency of employees thoroughly and continuously as well as prepare the succession plan for all key positions.
- Use knowledge, ability, appropriateness, and performance of employees as indicators in considering the nomination, transfer by fair, equitable and explicable assessment

**2. Communities, societies, environment, health and safety :**

- Correctly and fully comply with relevant laws, and management guidelines, as well as promote the implementation of international standard management systems as the tool of management.
- Inspect, monitor and evaluate the implementation to reduce the impact on the environment, occupational health, safety, community and environment.
- Communicate for understanding and cooperation in providing information to the community and society, investors, shareholders and other interested parties in timely manner with the situation and the fact of the business operation of the Company without obscuring facts.
- Aim to participate in the development and promotion of social activities, environmental protection and improve the quality of life in the community in according with the principle of sustainable development for happily living together.

**3. Receiving or Providing Property or any benefits that might motivate the decision :**

- Perform their duties with honesty, diligence and sense of responsibility.
- Disclose all factual information.
- Do not request or receive any property, item or benefit from people involving in business with the intention to act or refrain from any action that is not correct or exchange with the privilege of the Company.
- Not use the power in the position / duties in the Company for personal benefit



#### 4. Conflict of interest in transactions of the Company:

- Avoid any action that will cause conflicts of interest with the organization or that may affect the decision to perform duties.
- Be cautious about personal relationships with people who may have potential conflicts of interest or a commercial competitor with the Company, as well as relationships or personal business with colleagues that may cause the conflict or affect the performance.
- Do not take advantage of data or opportunity to be a staff member in the pursuit of personal interests for private or business purposes other than the Company's work which affects the job function.
- Do not conduct any action that is contrary to the business interests of the Company or competitive with the Company which affect the Company to lose benefits or receive lesser beneficial than it should be.
- Follow the rules, procedures and disclosure of connected transactions in accordance with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission.

#### 5. Acquisition and disposal assets of the Company and the use of internal information :

- Do not use internal information or disclose internal information to outsiders or use the important information that is not publicly available for personal benefit.
- Avoid expressing opinions to outsiders or the media concerning the matter or the information of the Company which there is no clear policy or guidelines for doing so that may affect the stock price of the Company.
- Do not use the information obtained during performing duties for personal benefit or for any unlawful.
- Insider trading preventive measures of related persons, such as directors, executives and employees in relevant departments including their spouses and minor child of such person.
  - 1) By for bidding to buy, sell, transfer or of such person by forbidding to buy, sell, transfer or within one month before disclosing the quarterly financial statements and annual financial statements and at least 1 working day after publicizing such financial statements.
  - 2) In case of any information which is not disclosed which may affect the price of the securities of the company must not trade the company's securities until all public disclosure.

#### 6. Compliance with laws, regulations, provisions :

- Strictly perform duties under the law and regulations of the Company.
- Respect and support activities / transactions that are legitimate and the ethics of the organization.

## 7. Application of properties, information, IT and intellectual property of the Company :

- Comply with laws and regulations on information technology of the Company.
- Do not violate the copyrights and trademark that may cause damage to the Company.
- Use hardware and software provided by the Company for the Company's business.
- Maintain the security of information systems including not disclose the password to access the information system of the Company to others.
- Efficiently use the property of the Company to maximize the benefits to the Company and not use the property of the company for personal benefit.
- Protect the intellectual property of the Company to not be damaged, loss, depreciation, and utilize the intellectual property for the best interests of the Company and maintains proper confidentiality of information by defining as "Non-Violence Policy on information, information technology and intellectual property"<sup>3</sup> as follows:

### **Non-Violence Policy on information, information technology and intellectual property Policy**

The company and associated company have a policy to comply with relevant laws, intellectual property or copyright and do not support the violation of intellectual property of others with the following details:

- 1) Works resulting from the fulfillment of duties is considered as the intellectual property of the Company.
- 2) Upon termination of employment, that employee must return the intellectual properties including the invention works whether it be stored in any form.
- 3) The use of software and computer programs must be approved by the copyright owner and the Company will allow the necessity of the use of the company's copyright only.
- 4) The use of works or information, which is the copyright of third parties to be used within the Company, is required to check to ensure that it does not infringe on intellectual property.

## 8. Treatment to customers and product quality / marketing communication

- Advertise the Company's products and services truthfully, do not make any misunderstanding and do not conflict with the good traditions and not cause the conflict.
- Deliver goods and services in accordance with agreements with customers.
- Maintain the quality standard of products and services to build up the customer confidence and satisfaction.
- Listen to customer complaints and timely improve and correct. In case of having limitation or requiring time to correct, the Company has to notify the customer to acknowledge in a timely manner and regularly report the progress of the improvement.
- Do not collect money, materials or any benefits from the customer which will be dishonest actions.

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<sup>3</sup> *Approved by the meeting of the Board of Director No 2/2014, 11 March 2014*

#### 9. Treatment to contract parties (trading partner and creditors)

- Formulate rule for selecting partners, which is considered business partners in accordance with “EA Code of Business Ethics” with fair business practices that have social and environmental responsibility and not violating human rights.
- Strictly follow the conditions and terms of the contract if the conditions cannot be met, notify / negotiate with the contract party to find solutions and remedies for damage.
- Precede the procurement with transparency and equally treat all stakeholders with fairness and verifiability.
- Procure from entrepreneurs who comply with the law that is not related or benefit from the use of labors or have the production process that is against the law and good morals.
- Take into account the quality, safety of purchased goods and services that may affect the health of the users, employees, communities, society and the environment.
- Do not use the information obtained from the procurement operation for personal benefit or benefit of others.
- Negotiate and enter into contract with fairness and without taking advantages from contract party by taking into account the reputation and image of the Company.

#### 10. Treatment to competitors

- Do not ruin the reputation of a competitor with the accusations in a bad way.
- Do not seek for information, trade secrets of competitors by dishonest means.
- Promote the fair competition and strictly adhere to the rules of competition.
- Do not make any agreements with a competitor or any person to reduce or limit the trade competition.
- Take into account equality and honesty in business operation and benefits with trading partners.
- Ethically conduct business.

## ❖ Ethic of directors, executives and employees ❖

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The Board of Directors has established the “Ethic of directors, executives and employees”<sup>4</sup> for to use as a guideline for operations, it is divided into the following topics.

- 1) Contain no conflict of interest
- 2) Protect the confidential information of the Company
- 3) Be responsible for the Company’s assets
- 4) Behave in line with morality and integrity
- 5) Be responsible for stakeholders
  - Shareholder
  - customers
  - trading partners
  - creditors
  - creditors
  - creditors
  - communities and societies

The detail of the aforementioned topics are as follows:

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<sup>4</sup> *Approved by the meeting of the Board of Directors No 6/2014, 14 December 2014*

### 1) Contain no conflict of interest

Directors, executives, and employees must not seek for personal benefit which is against the interests of the Company or conduct any action that causes the conflict of interest to the Company by complying with following guidelines:

- Directors, executives, and employees should abide by any behavior or action that may cause the conflict of interest to the Company. If it is necessary to do any action that may cause the conflict of interest, the utmost benefit of the Company should be mainly considered.
- Directors, executives and employees who participate in activities outside the organization or hold the position outside the Company, such as directors, executives, consultants, representatives or employees in other organizations, shall not cause any conflict of interest to the Company, either directly or indirectly; it must not affect the performance of their duties in the Company.
- Directors, executives and employees must not ask for assets or any benefit from trading partners and / or staff involved or use their powers to pursue personal benefit.
- Directors, executives, and employees must not commit or be involved in bribery or use their powers to pursue personal benefit.
- Directors, executives, and employees must avoid receiving gifts or any present from those who do business with us, which may lead to benefits or make other people understand that there are benefits together in the wrong way

### 2) Protect the confidential information of the Company

The Company is considered that it is the responsibility of directors, executives, and employees of the Company to strictly maintain the confidential information of the Company and apply following guidelines:

- Directors, executives and employees are responsible and maintain the confidential information of shareholders, customers, trading partners, officers and employees without disclosing such information if the information owner does not permit unless such disclosure is in compliance with the laws, regulations, terms or conditions that the Company must follow Including non-access to confidential information of such person with dishonest or inappropriate means.
- Directors, executives and employees must not seek for personal benefits and benefits of related person without disclosure of confidential internal information to outsiders, both directly and indirectly.
- Directors, executives and employees must not buy, sell, transfer or receive the transfer of the Company's securities based on internal information that is not disclosed by the Company.

### 3) Be responsible for the Company's assets

The Company encourages its executives and employees to be responsible for the efficient use of resources and assets of the Company in order to make it worthwhile and most beneficial with following guidelines:

- Directors, executives and employees must supervise, manage, control and take care of any assets of the Company in the condition that is usable and must maintain and use resources and assets in a cost- effective manner.
- Directors, executives and employees must adhere to the principles of savings to control production costs including unnecessary waste.

#### 4) Behave in line with morality and integrity

- Directors, executives, and employees must behave in a morally and ethically respectable way in which religion and society are respected.

#### 5) Be responsible for stakeholders

- **Shareholders:** The Company determines to create quality and stable business growth for the full and sustainable benefit of the shareholders based on the effective work performance, excellent turnover, equal access to necessary information, disclosure of actual information, conducting business with honesty, integrity, transparency and fairness.
- **Customers:** The Company provides excellent service system to ensure that all customers receive appropriate response and complete, accurate information as required. The Company also has survey forms to take customers feedback as a guideline for continual improvement and development.
- **Trading partner:** The Company continues to treat its partner whom deemed as business partner with equity and based on the mutual benefit, develop and maintain long-term relationship with partner, while creating trust between each other. The Company has complied with the procurement regulations which the procedures and practice guides are clearly stated.
- **Creditors:** The Company strictly and completely complies with the conditions agreed with creditors, manages to return loans plus interest in timely manner.
- **Employees:** The Company treats its employees with fairness and appropriate manner in term of opportunity and compensation, appointment, transfer, skill development and safe working condition. The Company welcomes any opinion and suggestions from employees and treats everyone with fairness and equality.
- **Competitors:** The Company determines to conduct business under fair competition environment, not seeking competitor's confidential information dishonestly or inappropriately, not executing any action that violates their intellectual property
- **Community and Society Environment, Health and Safety:** The Company maintains its participation in society by complying with the law and/or approved regulations, coordinates with government authorities, ensures that business operation will not cause any damage to community, society and environment, supports and develop society in terms of life quality development, education development, energy saving and environmental care.

## ❖ Good Corporate Governance ❖

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The Board of Directors understands the importance of implementing “Good Corporate Governance 2017” as announced by Stock Exchange of Thailand, and therefore, implemented such “Good Corporate Governance”<sup>5</sup> as a guideline to enable effective and transparent management which will ensure trust and confidence among shareholders, investors, stakeholders and all related parties. However, Good Corporate Governance can be divided into 5 sections as following details:

### Section 1: Rights of shareholders:

The Company supports right practice as well as right protection of all shareholders as follows:

#### 1. Rights of shareholders

- Right of holding Company’s shares;
- Right to acquire, dispose and transfer the shares;
- Right to acknowledge complete information and news related to the Company;
- Right to attend and vote in the shareholders’ meeting;
- Right to appoint or dismiss the Company’s directors;
- Right to receive dividend from the Company;
- Right to take part in making decision and acknowledge the decision of the Company concerning changes of internal infrastructure which are
  - (1) Disposal or transfer as a whole or important part to other persons;
  - (2) Acquisition or receive business of other companies or private companies under ownership of the Company;
  - (3) Covenant, amend or terminate of agreements concerning all leasing business of the Company, as a whole or important part, delegate other person to operate the Company’s business, or consolidate with other person with intention to share the profit/ loss;
  - (4) Change details in memorandum of association or articles of association or other regulations of the same nature;
  - (5) Increase or reduce the Company’s capital;
  - (6) Merge or liquidation of the Company;
  - (7) Issue debenture;
  - (8) Execute other special transactions which are not normal transaction
- Right to propose matter as the agenda in the general meeting of shareholders; **(Appendix 1)**
- Right to propose a person as a director of the Company in the shareholders’ meeting. **(Appendix 2)**

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<sup>5</sup> - Approved by the meeting of the Board of Directors No 2/2009 on 25 May 2009

- Reviewed and approved by the meeting of the board of Directors No.1/2020 on 21 February 2020

## 2. Shareholder's meeting

Shareholders have right to attend and vote in Shareholders' meeting with equal treatment. The Company shall refrain from any action that may limit the right to access the Company's information or to attend the meeting. The Company undertakes procedures regarding each meeting as follows:

- The Company has implemented for quality in convening the AGM through convenience meeting venue with various alternated transportations.
- The Company provides notice of meeting with all necessary information and timely manner such as date, time, location and an agenda of the meeting, including supporting documents for each agenda in prior to the meeting date to allow shareholders to study supporting information for their vote, without additional agenda other than specified in the notice of the meeting or changes of important information without prior notice to the shareholders.
- The Company publicizes invitation to the Annual General Meeting of Shareholders including relevant enclosures and make it available on the Company's website at [www.energyabsolute.co.th](http://www.energyabsolute.co.th) in both Thai and English version not less than 30 days prior to the meeting date and sent by registered mail in advance at least 7 days prior to the meeting which requires ordinary resolution and 14 days prior to the meeting which requires special resolution.
- Rules and regulations of the shareholder's meeting as well as voting procedure to be clearly stated in the notice of the meeting and inform to shareholder in the meeting.
- The Company allows shareholders to send their questions as well as name and contact details to the company prior to the meeting date through following methods:

**Energy Absolute Public Co., Ltd.**

Attention: Company Secretary

16<sup>th</sup> Floor, AIA Capital Center Building,

89 Ratchadaphisek Road, Dindaeng, Bangkok 10400

- The Company determines criteria and pattern to enable minor shareholders to propose a list of candidates for nomination of director position as well as to approve the list of proposed candidates. The proposal is opened for 3 months prior to the date of the shareholders' meeting when the Nomination Committee will consider the pattern for proposing list of candidates for director position.
- The shareholders can enquire, express their opinion and ask for clarification from the Board of Directors, committee or the Management in regard to meeting agenda, policy, operation result, annual audit result from the independent auditor, remuneration policy of the directors and executives or other related matters.
- In the event that the shareholder is unable to attend the meeting, he/she can use proxy. The shareholders to be allowed to appoint an independent director or other person as considered an appropriate as well as their proxy on which he/she can specify their vote. Appointment of the proxy must be clearly specified in invitation.



- Shareholders to be allowed to vote in election of qualified director to undertake responsibilities of maintaining benefit of the shareholders.
- The Company held meeting sin a timely manner, and support shareholders to fully express their opinion and ask for more information.
- The Company encourages directors, executives and auditors to attend the meeting for the advantage of answering questions of the shareholders.
- In the meeting date, the registration is performed through Barcode system to facilitate shareholders at best convenience.
- The Company Secretary provided minutes of meetings with accurate, complete and clear details and submitted to SET, SEC as well as disseminated through the Company website within 14 days after the date of meeting.

## Section 2 Equal treatment to shareholders:

All shareholders, investors, corporate investors both within the country and abroad, received equal treatment as specified in the Right of Shareholder Section. The Company has stipulated the policy to protect right of shareholders to ensure that everyone is being treated equally and fairly as follows:

### 1. Use of internal information for purchase and sale of the Company's securities

The Board of Directors has set the protection of internal information and purchase and sale of the Company's securities to ensure equality and justice to all shareholders and to retrain directors and related executives from illegally sale and purchase of the securities for their own interest (Insider Trading).

#### ■ Use of Internal Information

The Company has implemented policy and protection approach for misuse of internal information for personal interest and securities sale-purchase as follows:

- 1) All directors, executives and employees including their spouse and minor child, including related person as per Section 258 are not allowed to use internal information which has not been disclosed to the public domain, to purchase, sale, transfer or receive securities of the Company.
- 2) Any purchase, sell, transfer or receive asset of the Company by directors, executive, including their spouse and minor child and related person as per Section 258 of the Securities and Stock Exchange B.E. 2535 must be report to the SEC and SET within 3 days from the date of transaction. The violation or failure to comply with the regulation issued in accordance with Section 275 of the Securities and stock Exchange B.E. 2535 be liable to a fine not exceeding Baht 500,000 and a further fine not exceeding Baht 10,000 for every day during which the contravention continues. A copy of transaction report must be submitted to the Company as evidence.
- 3) Directors, executives and employees of the Company who have access to the internal information shall not use such information prior to disclosure to the public, and shall not purchase, sell, transfer or receive asset of the Company within a period of one month prior to, and 1 day subsequent to the quarterly and annual financial statement will be disclosed to the public. The materiality content of the information is prohibited be disclosed to any other parties.
- 4) Report shareholding of director to the Board of Directors quarterly

#### ■ Control of internal information :

All directors, executives and employees are not allowed to use internal information which has not been disclosed to the public domain for interest of their own or others. In addition, any third party who is involved or may have access to the important internal information of the Company, must enter into the non-disclosure agreement to ensure that the particular person will use the information with full caution and keep such information as confidential in the same manner as the executives and employees would practice.

- Holding the Company's securities :

All directors, executives and employees have freedom to sale and purchase of securities of the Company. However, to prevent conflict of interest, directors, executives and employees including their spouse and minor child are prohibited to sale and purchase of securities of the Company during 1 month prior to the date of disclosure of the financial statement to the public. Any acquisition, disposition, transfer, or receipt of the Company's securities held in their account must be reported and disclosed to the related authority. The Company reports changes in securities holding of directors and executives in quarterly to Board of the Directors and also must be reported in the Annual report.

In this regard, if the executive and employee violate the use of internal information policy aforesaid, such person shall be deemed as violation of the Company's regulations. In addition, if such person is considered violation of Section 242 of the Securities and Exchange Act (No.5) B.E. 2559, such person shall be punished under the Securities and Exchange Act (No.5) B.E. 2559.

## 2. Conflict of interest

The Company operated business with honesty, integrity, transparency and fairness. Directors, executives and all employees are not allowed to engage in any business that competes with the Company or execute any business transaction which involves themselves or related person/ juristic person that may lead to conflict of interest. It is responsibilities of the Board of Directors to monitor and ensure that everyone strictly comply with the rules and regulations of disclosing related transaction as stipulated by law or relevant authorities.

In case it is necessary to enter into a connected transaction, such transaction must be under general trade conditions as approved by the Board, with transparency and fairness, and executed in a manner as if to external party and conduct for the full benefit of the Company. However, the connected transaction which is not based on the general trade conditions may lead to conflict of interest and must be reviewed and considered by the Audit Committee prior to being proposed to the Board or shareholders for approval.

### Prevention on the conflict of interest

- The Company has structure of shareholding which is explicit, transparent without cross shareholding with major shareholders that may cause conflict of interest to a particular party. The structure of shareholding of the Company and subsidiaries is disclosed in the annual report with full details.
- The duties of the Board of Directors, executives and shareholders are clearly classified, therefore, there is no issue concerning intervening each other's duties.
- The Company determines that the directors and executives are responsible for providing report of stake holding as to review the related transactions.

### **3. Report on the interest of directors and related persons**

It is the responsibility of directors and executives to report interest of directors and related persons regarding the management of the Company as regulations and conditions set forth by the SEC. The Company Secretary is responsible for collecting and submitting report of interest to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 days from the date of receiving report.

### Section 3: Roles of stakeholders:

The Company supports to conduct of business based on fairness and shared benefit between the Company and stakeholders. All related policies and measures are set forth as follows:

#### 1. Treatment to stakeholders Policy:

Stakeholders of the Company are categorized as follows:

- **Shareholders:** The Company determines to create quality and stable business growth for the full and sustainable benefit of the shareholders based on the effective work performance, excellent turnover, equal access to necessary information, disclosure of actual information, conducting business with honesty, integrity, transparency and fairness.
- **Customers:** The Company provides excellent service system to ensure that all customers receive appropriate response and complete, accurate information as required. The Company also has survey forms to take customers feedback as a guideline for continual improvement and development.
- **Partners:** The Company continues to treat its partner whom deemed as business partner with equity and based on the mutual benefit, develop and maintain long-term relationship with partner, while creating trust between each other. The Company has complied with the procurement regulations which the procedures and practice guides are clearly stated.
- **Creditors:** The Company strictly and completely complies with the conditions agreed with creditors, manages to return loans plus interest in timely manner.
- **Employees:** The Company treats its employees with fairness and appropriate manner in term of opportunity and compensation, appointment, transfer, skill development and safe working condition. The Company welcomes any opinion and suggestions from employees and treats everyone with fairness and equality.
- **Competitors:** The Company determines to conduct business under fair competition environment, not seeking competitor's confidential information dishonestly or inappropriately, not executing any action that violates their intellectual property.
- **Community, Society, Environment, Health and Safety :** The Company maintains its participation in society by complying with the law and/or approved regulations, coordinates with government authorities, ensures that business operation will not cause any damage to community, society and environment, supports and develop society in terms of life quality development, education development, energy saving and environmental care.

## 2. Risk Management Policy

- 1) Risk management is an integral to the whole business where responsibility is adjacent to employees of all levels. With awareness toward risks adhered to their work and within department, everyone is assigned to ensure that an appropriate balance between risk and its control is achieved.
- 2) To define risk management procedures in line with international standards, integrate same risk management to whole organization, implement risk management as a part of planning, strategy and business operation of the Company, as well as to achieve the target, vision, mission and strategy set forth in order to create success and confidence among stakeholders.
- 3) To define prevention and minimize risks from business operation in order to avoid damage or loss, as well as to follow up and assess the risk management result regularly.

## 3. Safety, Occupational Health and Working Environment Policy

The Company realizes that safety occupational health and working environment management is the basic responsibility of organization and is an important and necessary factor for our business operation. To become an excellent organization, all departments are constantly supported and developed under safety occupational health and working environment policy as follows:

- 1) Prevent accidents, injuries and sickness which may be incur from operation under strict compliance of everyone, as well as limit and control work that exposes to harmful risk.
- 2) Quickly, effectively and carefully coordinate with government authorities and private companies to minimize emergency cases or accidents incur from work.
- 3) Strictly comply with applicable laws, regulations and provisions regarding safety, and implement safety standard to business operation.
- 4) Suitably provide equipment, tools, regulations, work plan and training course for employees of all levels to ensure they understand and receive sufficient information about safety at work and to prevent accidents or diseases incur from work.
- 5) Arrange for the regulations, action plan and training course to educate employees at all levels appropriately. In order to have knowledge and understanding and receive adequate information about work safety to prevent potential hazards from work and various diseases.
- 6) Arrange for the safety of employees and related parties by providing a safe and hygienic working environment.
- 7) Provide the adequate personal protective equipment for employees who are in compliance with adequate risks, Use, organize, provide training, rehearsal and control for proper use.
- 8) Review safety policy and regularly conduct assessment.

#### **4. Society and Environment Policy**

The Company realizes the importance of taking part in society and environment to be in good quality and conducts various activities to support and promote the sustainable development of society and environment by following policies:

- 1) Operate business by taking into account the impact to society and environment;
- 2) Aim to reduce and prevent pollution;
- 3) Strictly comply with the applicable laws, regulations and related practices;
- 4) Continuously develop and improve work standards to be in compliance with environmental standards.

#### **5. Whistleblowing Policy**

In order to encourage both internal and external stakeholders to participate in Good Corporate Governance process, the company therefore has set a policy in the event that various groups of stakeholders have questions or see actions suspected of violation or non-compliance with laws, regulations, or business ethics, or suspicions that may lead to corruption can report clues or complaints together with sending evidence and details to the Chairman of the Audit Committee of the Company.

For the receiving a complaint process and whistleblowing channels appear in the section of "Anti-Corruption policy"

#### **6. Right Protection for employees, contractors or temporary staff**

The Company refrains from any unfair treatment toward its employees, contractors or temporary staffs such as change of position, work scope, or place of work, suspend work, threatening, disturbing, dismissal or any other action defined as unfair treatment based on the ground that:

- 1) Such person provides information, coordination or assistance whatsoever to directors, executives, government or related authorities in the event that those people reasonably believed that there is a violation or incompliance with the law, regulation, or good corporate governance policy.
- 2) Giving statement, submitting evidence document or assistance whatsoever to the director, executive, government or related authorities in support of consideration or examination on violation of incompliance with the laws, regulations, provisions or good corporate governance.

## Section 4: Information disclosure and transparency

### 1. Information disclosure

The Board of Directors places attention on disclosure of reliable, accurate, complete, transparent and timely released information for financial and nonfinancial matters to investors and all stakeholders to have reliable and sufficient information for decision. The Office of Company Secretary and the Department of Corporate Communication are responsible for communicate and disseminate information necessary for individual investors, corporate investors, analyst and individuals within the country and abroad different channels i.e. notify through the SET Community Portal and the Company's website, announcement of quarterly results, business operation plan. Important information being disclosed to the public are such as annual statement (form 56-1), annual report (form 56-2), financial information, information related to major shareholders and rights of voting, information related to directors and committee, information disclosed to SET, corporate governance policy, business ethic, activities and operative plan etc.

#### Disclosure of financial and non-financial information accurately, completely and in timely manner

The information appeared in the financial report is accurate in accordance with generally accepted accounting standards and reviewed by independent certified public auditors.

- The Company provides Report of the Board's Responsibility in the Financial Statements and encloses with the auditor's report in the Annual Report.
- Management Discussion and Analysis or MD&A has been provided to support disclosure of quarterly financial statement to ensure that investors acknowledge and understand well of any changes in relation to financial status and quarterly operation result besides the numbers shown in the financial statement.
- Disclose audit fee and other service fees related to the auditors in the Annual Report.
- Disclose roles and duties of the Board of Directors and sets of sub-committees, a number of meeting held and number of attendance of each director during the previous year in the annual report, under "Corporate Governance- Sub-committees".
- The Company has determined the policy on which directors and executives have to report their interest as well as related persons who involve with stake holding of business management of the Company or its subsidiaries. The criteria and method of report is as follow:
  - ❖ Make a report after first undertaking director or executive position;
  - ❖ Make a report for any changes related to stake holding.



## 2. Auditor and quality of financial reports

The financial statements of the Company and its subsidiaries are reviewed and audited by an independent auditor who has been agreed by the Independent Securities and Exchange Commission who is an independent. To ensure that the Board of Directors and shareholders, the financial statements of the Company and the subsidiaries can show the financial position and operating results of the Company.

Nevertheless, the Company has policy to change the auditors if the auditor has been appointed for 7 consecutive fiscal years, and the Company can appoint a new auditor that is affiliated with the former audit firm of the former auditor. From the execution of duties due to the auditor, the Company's auditor can be re-appointed after pass the appointment period at least two fiscal years since the date of such auditor passed the duty<sup>6</sup>

The Board of Directors places importance and responsibility on the financial statement of the Company and its subsidiaries based on general accounting standards, with full caution, accuracy and completeness to reflect actual operative result of the Company. The Board of Directors provided operative result and information disclosure with transparency and sufficiency to related authorities such as SEC and SET regularly by taking into account the benefit of shareholders and investors. Furthermore, the Audit Committee is appointed by the Board of Directors to verify and examine reliability and accuracy of the financial report and internal control system.

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<sup>6</sup> *Norpor. 5/2561 Re: Guidelines on Auditor Rotation in Capital Market and Relaxation on Auditor Rotation in Capital Market.*

## Section 5: Responsibilities of the Board of Directors:

### 1. Structure of the Board of Directors

- The Board of Directors consists of at least 5 directors but not more than 15 directors, and at least half of the directors must have residence in Thailand.
- The Board of Directors consists of at least one-third (1/3) of total numbers of directors on board and/ or contain at least 3 directors.
- The Chairman of the Board of Directors and the Chairman of the Executive Officers must not be the same person to separate clear duties and responsibilities and to balance the power.

### 2. Qualifications of directors

- Qualified, not being prohibited to run Public Company, Securities and Stock Exchange, law, including other applicable laws and good corporate governance of the Company.
- Having competent knowledge and good professional background, independent, performing duties' honest, moral, ethical and regularly attend the meetings.
- Having one or more specific knowledge in a particular field which will generate benefit to the Company which are:
  - (1) Production and distribution of biodiesel oil
  - (2) Production and distribution of alternative energy
  - (3) have specialized knowledge useful for the Company to support the business expansion according to the strategic plan to achieve goals, such as, accountings, finances, laws, strategy and business plan Management, Information Technology etc.
  - (4) Good corporate governance
- Holding position as a director in the maximum of 4 listed companies, and not hold any position in the entity deemed as the Company's competitor.
- Qualifications of Independent Directors<sup>7</sup> are as follows:
  - (1) Holding no more than 1 percent of total voting shares of the Company, parent company, subsidiaries, associate company, major shareholder or controlling person of the Company, including shares held by the connected persons<sup>8</sup> of such independent director.

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<sup>7</sup> Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 Clause 17(2) each independent director shall have the characteristics in accordance with the SEC and SET regulations.

<sup>8</sup> The "Connected persons" means the persons according to Section 258 of the Securities and Exchange Act

- (2) Not being or having been an executive director<sup>9</sup> employee, staff, advisor earning regular monthly salary or the controlling person of the Company, its parent company, subsidiary, associate company, same-level subsidiary<sup>10</sup>, major shareholder or controlling person, unless the foregoing status has ended for at least two years prior appointment. In this regard, such prohibited characteristics shall exclude the case where an independent director used to be a government official or advisor of a governmental agency, which is a major shareholder or the controlling person of the Company.
- (3) Not being a person who is related by blood or legal registration as father, mother, spouse, sibling and child, including spouse of child, other directors, executives, major shareholders, controlling person or person to be nominated as director, executive or controlling person of the Company or its subsidiary.
- (4) Not having or having had a business relationship with the Company, its parent company, subsidiary, associate company, major shareholder or controlling person in a manner that may interfere with independent discretion, which includes not being or having been a significant shareholder, director who is not independent director or the executive having a business relationship<sup>11</sup> with the Company, its parent company, subsidiary, associate company, major shareholder or controlling person, unless such foregoing relationships have ended for at least two years prior appointment.
- (5) Not being or having been an auditor of the applicant, its parent company, subsidiary, associate company, majority shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of the audit firm which employs the auditor of the applicant, its parent company, subsidiary, associate company, majority shareholder, or controlling person, unless the foregoing relationship has ended for not less than two years prior appointment.
- (6) Not being or having been a provider of professional services, which includes serving as a legal advisor or financial advisor being paid with a service fee of more than two million baht per year by the applicant, its parent company, subsidiary, associated company, majority shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of such provider of professional services, unless the foregoing relationship has ended for not less than two years prior appointment.

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<sup>9</sup> “Executive Director” means a director holding an executive position, a director responsible for any action deemed to be taken by an executive, and shall include a director authorized to bind a company unless it can be demonstrated that it is a joint authorization with other directors for a transaction that has been approved by the board of directors

<sup>10</sup> “same level subsidiary company” means two or more subsidiary companies under the same parent company regardless of being in which level

<sup>11</sup> The business relationship under Paragraph 1 shall include normal business transactions, rental or lease of real estate, transactions related to assets or services or granting or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, and any other similar actions, which result in the applicant or the counterparty being subject to indebtedness payable to the other party in an amount starting from three percent of the net tangible assets of the applicant or from twenty million baht or more, whichever amount is lower. In this regard, the calculation of such indebtedness shall be in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, mutatis mutandis. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of one year to the date of establishing the business relationship with the related person business relationship with the related person.

- (7) Not being a director who is appointed as the representative of directors of the applicant, major shareholder, or shareholder who is a connected person of a majority shareholder.
- (8) Not undertaking any business of the same nature and in significant competition with the business of the applicant or its subsidiary, or not being a significant partner in a partnership, or an executive director, employee, staff, advisor earning regular monthly salary, or holding more than one (1) percent of the voting shares of another company that undertakes a business of the same nature and in significant competition with the business of the applicant or its subsidiary.
- (9) Not having any other characteristics that cause the inability to express independent opinions on the business operation of the applicant.

### **3. Term of directors and termination**

At the Annual General Meeting of Shareholders (AGM), one-third of all directors shall resign by rotation. In case the number of resigned directors cannot be proceeding, the similar amount to one third shall be applied. The resigning directors may be re-elected.

In addition to due term of office, the directors may vacate the position upon following situation:

- Death
- Resign
- Unqualified or having prohibited character as stipulated by the Public Limited Company Act or the Securities and Exchange Act
- By resolution of the shareholders' meeting.
- By the court's order

### **4. Meeting of the Board of Directors**

- 1) The meeting of the Board of Directors is held at least 3 months for a meeting, with advance schedule of total meeting per annum. Meeting with special agenda may be held as necessary.
- 2) Not less than half (1/2) of the total directors attending the meeting shall constitute the quorum.
- 3) To call for the Board of Directors meeting, the Chairman or the person assigned to do so shall send the notice of the meeting to all directors not less than (7) days prior the meeting date. (except for the urgent case and in order to protect the interest of the Company, the notification by other methods and set the meeting date earlier than that shall be allowed)
- 4) The Chairman of the Board of Directors should allocate appropriate time to enable directors to discuss important matters in each agenda.
- 5) The meeting of the Board of Directors will be held at least once a year with no executive or management members attending the meeting in order to open the opportunity to discuss various issues concerning the business operation of the Company or the subject in the interest. The Chief Executive Officer will be reported for acknowledgement of the meeting result.

## 5. The Board of Directors' Duties and Responsibilities (Duty of Care, Duty of Obedience, Duty of Loyalty and Duty of Disclosure)

- To perform their duties under applicable laws, objectives, regulations of the Company and resolutions of shareholders' meetings with duty of loyalty, duty of care, respect the laws and regulations of the Company (Duty of Obedience) and disclose information to shareholders accurately, completely, transparently, timely (Duty of Disclosure) accountability, be respective to the law and regulations of the Company, as well as full benefit of all shareholders.
- To determine vision, strategy, policy and business direction of the Company, control and monitor whether the management's performance is effectively and efficiently conducted in line with regulations and policies in order to maximize economic value to the shareholders and achieve the sustainable growth.
- To determine policy and regulate the Company to prepare guidelines for supporting anti-corruption measures to ensure that management aware of the importance of this anti-corruption and cultivate to be an organizational culture.
- The Board of Directors is responsible in considering important subjects such as policies and business plans, big investment projects, corporate acquisition, management authority and other subjects prescribed by the law.
- The Board of Directors is responsible to evaluate and determination of remuneration for the management.
- The Board of Directors is responsible business performance and management practices to carefully and cautiously perform.
- The Board of Directors is responsible for setting an accounting system, financial reports and reliable accounting audit as well as overseeing the process of assessment on the suitability of internal controls and the efficient and effective internal audit, risk management, financial reports and follow-ups.
- The Board of Directors is responsible to prevent the conflicts of interest between the stakeholders of the Company.
- The Board of Directors is responsible for reporting the responsibilities of the Board of Directors in preparing financial reports along with the auditor report in the Annual Report as well as covering important issues in accordance with the good practice for the directors of the listed company under the Stock Exchange of Thailand.
- To disclose information to shareholders, investors and all groups of stakeholders with accuracy, standard, transparency and in timely manner.
- To provide efficient internal control and audit system.
- To provide efficient risk management and regularly follow-up.
- To implement good corporate governance and regularly follow up the result.

- To appoint the Company Secretary to be responsible for arranging activities of the Board of Directors and to support the Board of Directors and the Company to comply with the law and related regulations.
- To implement business ethics for directors, executives and employees as a standard of work within the organization.
- It is duty of the independent directors to review the internal control system, management, application of resource, appointment of directors and to determine standards of business conduct with their independent discreet, as well as to oppose the action of management or other directors in regard to the conflict which impact equality of all shareholders.
- The Board of Directors may seek for professional opinion in regard to business operation, from external advisor at own cost of the Company.

However, The Board of Directors may delegate or assign on or more directors or any other person to act on behalf of the Board. such delegation shall not be the delegation or sub-delegation which enables the Board of Directors or the attorney of the Board to approve any particular which him/herself or person who may have conflict, gain or loss or any conflict of interest in any other manner or conflict with the interests of the Company or its subsidiaries (if any), except for the resolution for the particular according to the policy and the criteria that the shareholders' meeting has approved.

#### Roles and Responsibilities of the Chairman of the Board

- The Chairman of the Board is responsible for overseeing the use of policies and strategic operational guidelines of the management including providing advice and supporting the business operations of the management but not participate in the routine management of the Company.
- The Chairman of the Board acts as the Chairman of the Board of Directors' meeting and the shareholders' meeting and to encourage all directors to participate in the meeting as well as overseeing that the Board of Directors and shareholders' meetings are conducted effectively and successfully.
- Responsible as the leader of the Board of Directors in monitoring, supervising the Executive Committee and other sub-committees to achieve the objectives.
- Being the Chairman of the Board of Directors' Meeting and being the Chairman of the shareholders' meeting.
- Being a casting vote in the event that there are two equal votes in the Board of Directors' meeting.

## Board approval authority

- To approve and review the vision, mission and policy of the Company.
- To approve short-term and long-term strategic plans including the annual action plan, budget and manpower accordance with the strategic plan.
- To approve the work that is beneficial to the Company, shareholders and stakeholders. And following up on the performance of the executives and jointly considering and giving suggestions for appropriate solutions.
- To approve the sub-committees charter.
- To approve the organization structure of the Company.
- To elect and appoint director(s), in the event that the director terminate during the year.
- To approve investment in business expansion and the investment.
- To appoint, withdraw and change sub-committee members.
- To approval of interim dividend payment.
- To approve the adjustment of remuneration for the Chief Executive Officer.
- To approve the succession plan for the position of Chief Executive Officer and Senior Management.
- To approve accounting policies, additional investment, write-offs or the disposal of the company's assets.
- To appoint the company secretary.
- To approve agenda for shareholders' meeting approval as follows:
  1. Entering into the connected transactions, the acquisition, the disposal of assets of the Company according to the laws and regulations of SEC.
  2. Disposal or transfer of all or part of the core Company's business.
  3. Acquisition or accepting the transfer of other companies' businesses to the Company.
  4. Modification of the Memorandum of Association and the article of association of the Company.
  5. Increase / decrease of registered capital.
  6. Issuing of any securities other than the ordinary shares.
  7. Dissolution of the Company / merging with other company.
  8. Determine the date of the shareholders' meeting and the annual meeting agenda.
  9. Annual dividend declaration.
  10. Any other business that required by law or the article of association of the Company to obtain the approval from the shareholders' meeting.



### Scope of duties and responsibilities of the Chief Executive Officer

- Manage the business of the Company to be in accordance with laws, objectives, regulations and resolutions of the shareholders' meeting as well as policies, rules, regulations and resolutions of the Board of Directors.
- Perform duties with integrity and careful to protect the interests of the Company.
- Arrange the business plan, annual budget and operational goals including revising such plans during the year if deemed necessary in order to be consistent with the changing situation and propose to the Board of Directors for approval.
- Implement policies, business plans and budgets as approved by the Board of Directors to achieve the goals.
- Propose reports on the Company's performance and financial status for quarterly and annual including other reports that deem important to the Company's operations to the Board of Directors for consideration, acknowledgment or approval.
- Prepare or improve the organizational structure (Organization Chart) including the authority and responsibility of the executives under supervision, and propose to the Board of Directors for approval.
- Supervising the general administration of the Company to be effective including supervising the employees of the Company to strictly comply with the policies, rules, regulations, orders and resolutions of the Board of Directors and supporting anti-corruption policy by communicating to employee and related persons including review the process and measures to be in accordance with laws and regulations and up to date.
- To have authority to approve or take any action which the Board of Directors has already approved the use of such approval authority cannot be done in the event that a person may have a conflict. (As defined in the Notification of the Securities and Exchange Commission) has an interest or may have conflicts of interest with the Company Or subsidiary Except for approval of normal business transactions with general trading conditions and the Board of Directors has already approved in principle under the Securities and Exchange Act.
- Perform other duties as assigned by the Board of Directors.

The authority of the Chief Executive Officer as well as the authorizing other persons that the Chief Executive Officer deems appropriate will not include the authority or delegation of authority to approve any transactions that he or the person concerned may have conflicts or have interest or have any conflict of interest in any other manner or there is a conflict with the interests of the Company or subsidiary (if any) or items that are not under normal business operations of the Company. The approval of such transactions must be proposed to the Board of Directors and / or the shareholders' meeting of the Company to consider and approve according to the regulations of the Company or related laws.

### The Company Secretary

The Board of Directors appointed the Corporate Secretary pursuant to Section 89/15 of the Securities and Exchange Act. B.E. 2535 and the amendment, to prepare and maintain important documents of the Company which are Registration of the Board of Directors, Invitation to the Board of Directors' meeting, minutes of the Board of Directors' meeting, Company's Annual Reports, Invitation to the shareholders' meeting, minutes of the shareholders' meeting, report of interest by the directors or executives, including any other matters as notified by the SEC regarding the applicable law of Securities and Stock Exchange.

### **The Control of the subsidiaries and associated**

- 1) Mechanism to control and manage work performance of the subsidiaries: To control and oversee work operation of the subsidiaries, the Company sends its representative to undertake different position such as director, executive or controlling party in the subsidiaries at least in proportion of shareholding. The duty of such representatives is to ensure the best performance of the subsidiaries. Moreover, the representatives must ensure the subsidiaries has regulations of connected transactions or acquisition or disposal of the assets or any significant transaction to be accurate, apply criteria related to information disclosure and transaction mentioned above to be in line with the regulations of the Company, to ensure the information storage and accounting record of the subsidiaries can be reviewed and collected to enable delivering financial statement in timely manner.
- 2) The agreement between the Company and other shareholders in management of subsidiaries and associated (shareholder's agreement): The Company has no agreement with other shareholders in management of subsidiaries and associated.

## 6. Appointment of Sub-Committees

The Board of Directors appointed sub-committees to oversee and filter important issues and to regularly report to the Board. Sub-Committees are as follows:

- The Executive Committee
- The Audit Committee
- The Nomination Committee
- The Remuneration Committee
- The Risk Management Committee
- The Corporate Governance Committee

The details of Sub-Committees are as follows:

### ▪ The Executive Committee

The Executive Committee must be the Company's Director and/or the Company's Executive appointed by the Board of Directors based on the number of directors that the Board deemed appropriate and the Board of Directors will appoint one of executive committee member as the Chairman of the Executive Committee.

#### **Scope of duties and responsibilities of the Executive Committee:**

- 1) To consider and review direction of business operation, business plan and strategy for approval of the Board of Directors.
- 2) To control the business operation of the Company to ensure the compliance with strategic business plan and the budget approved by the Board of Directors and to report result to the Board of Directors for consideration.
- 3) Establish a promotion and supporting system of the anti-corruption policy to communicate with all employees and related parties including reviewing the suitability of various processes and measures to comply with business changes, regulations, and legal requirements.
- 4) To review the code of conduct, handbooks for different departments to ensure compliance with the regulations stipulated by related government authority.
- 5) To set efficient internal control system and risk management system as well as monitoring system and to ensure work procedures are completed in line with law, regulations and good corporate governance.
- 6) To consider and propose accounting policy, investment, removal of bad debt, or removal of asset disposal to the Board of Directors for further consideration and approval.
- 7) To consider and approve work procedures as assigned by the Board of Directors.
- 8) To perform or act as a representative of the Board of Directors on behalf of the Company in coordination with government authorities such as SEC and SET, etc.
- 9) To consider and approve budget for normal transaction of the Company, which maximum value is 250 Million Baht.
- 10) To consider and approve employment, shifts, dismissal, approve Remuneration of the executives, as well as to determine punishment, indemnification, and approve on executive's resignation.

- 11) The meeting shall be held on a monthly basis where at least half of the directors attending the meeting shall constitute the quorum.

Nonetheless, the authority of the Executive Committee including authorization to other person as considered appropriate by the Executive Committee shall not constitute the authority to approve transactions that there is potentially conflicted persons may involve or any involvement causing conflicts of interest to the Company or any conflict with the Company or its subsidiaries (if any) or the transaction which is not under normal business transaction of the Company. To approve such transaction, the matter must be proposed to the meeting of the Board of Directors and/or shareholders for consideration and approval as stipulated by the regulations of the Company or related law.

#### ▪ The Audit Committee

The Audit Committee appointed by the Board of Directors are qualified in accordance with the Securities and Exchange Act including notification, rules and/or regulations prescribed by the SET that the Board of Directors appoints the Audit Committee, consisting of at least 3 Independent Directors, and at least 1 Independent Director with sufficient experience to review the financial statements.

##### **Audit Committee Qualification**

- 1) Not being a director assigned by the Board of Directors to decide on the business operation of the Company, its parent company, subsidiaries, joint ventures, subsidiaries in the same level, major shareholders or the person authorizing and controlling the Company; and
- 2) Not being director of the parent company, subsidiaries or subsidiaries in the same level, particularly at listed companies;
- 3) Have sufficient knowledge and experience to be able to act as a member of the Audit Committee. There must be at least one member of the Audit Committee who has sufficient knowledge and experience to be able to review the reliability of the financial statements.
- 4) Have the same duties as prescribed in the Notification of the Stock Exchange of Thailand regarding qualifications and scope of work of the Audit Committee.

Duties and responsibilities of the Audit Committee are:

- 1) Financial Reports
  - To review a financial report and consider the completeness of the information acknowledged and to assess the appropriate of accounting principles applied to the financial report;
  - To review accounting matters and significant financial report, including complicated or irregular transactions and the transaction which requires discretion;
  - To enquire management and auditors in regard to auditing result of the important risk concerning financial report and plan to reduce such risk;
  - To review efficiency of the internal control in regard to procedure of creating financial statement.

2) Internal control

- To review to ensure that the Management has set the internal control system as well as internal control of the proper technology implemented, communication guidelines, important of the internal control and risk management through the whole organization;
- To review to ensure that the advice regarding internal control suggested by the internal audit and auditor has been amended and improved.

3) Internal Audit

- Review and approve annual internal audit plan, as well as personnel and resources required;
- Review activities and performance of the Internal Audit Department to ensure independency as well as approve the appointment, transfer, employment termination of the Head of Internal Audit or any function responsible for internal audit;
- Review efficiency of the Internal Audit performance to ensure that the internal audit standard has been implemented.
- Review the effectiveness of Anti-Corruption guidelines as well as to consider and audit follows the Whistle Blowing policy to ensure that the Company performs with a concise and suitable operation and in accordance with international standards and able to prevent any form of corruptions.

4) Control the compliance with law and regulations

- Consider changes of law, regulations proposed by the Internal Audit which have impact to the business operation of the Company regularly;
- Review the facts found by controlling authority, follow up, improve, as well as report to the Board of Directors;
- Review efficiency of system which implemented to monitor compliance with the law, regulations, as well as correct in case the matter has not been followed.

5) Consider and ensure accuracy and completeness of the information disclosure of the Company in case there is connected transaction or conflict of interest.

6) Select, propose, appoint and consider remuneration of the Auditors.

- Responsible for selection, appointment and proposal of the remuneration of the Auditors.

7) Compliance to the morality and ethic of the executives and employees

- To review to ensure that business ethics and morality of the executives and employees, prevention policy on conflict of interest are made in written form and acknowledged by all executives and employees;
- To support the compliance with morality, ethic and prevention policy on conflict of interest.

8) Provide report of activities of the Audit Committee by disclosure such information in the Annual Report of the Company which will be signed with affixed name by the Chairman of the Audit Committee.

- 9) Other responsibilities
  - Otherwise act as assigned by the Board of Directors;
  - Review and assess charter of the Audit Committee on regular basis, as well as propose to Board of Directors for approval in case of amendment;
  - Provide self-assessment, at least, on annual basis, and report the result to the Board of Directors.

▪ **The Nomination Committee**

The Board of Directors appointed the Nomination Committee to support the Board of Directors in setting policies, criteria and procedures for recruiting qualified persons to serve as the Company's director, subcommittee member including top executives<sup>12</sup> and the person assigned by the Board of Directors in accordance with the nomination process and propose to the Board of Directors.

The Nomination Committee consists of at least three directors and all of them are independent directors. The Nomination Committee meeting shall elect one member as the Chairman of the Nomination Committee.

**Duties of the Nomination Committee:**

- 1) To consider policy of nomination of directors and top executives, nominate, select and propose qualified person with morality, ethics and qualification suitable to the position of committee member and/ or executives, as the case may be;
- 2) To review and assess the work performance of the directors and executives;
- 3) To provide the succession plan, revise the development plan of the Chairman of the Executive Officers or top executives as a prepared plan in the event that the CEO or top executives in particular position will retire or will be unable to perform their duties to assure smooth and continual business operation;
- 4) Considering the vacant of the Board of Directors due to
  - Termination: Considering the selection of qualified candidates to be directors and propose to the Board of Directors for further propose to the annual shareholders' meeting for appointing.
  - Termination other than the expiration of the term: Considering the selection of qualified persons as directors and propose to the Board of Directors for consideration and appointing to replace the vacant positions.
- 5) Encourage to allow shareholders to propose names of persons to be nominated as directors.
- 6) Consider the preparation of the development plan for directors to develop knowledge of the current directors and new directors to understand the business, roles and duties of directors and important developments industry, such as the current conditions of the industry, the rules and laws related to the business of the Company.

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<sup>12</sup> *Top Executives mean Chief Executive Officer or Managing Director or a person holding equivalent position with different position title of Energy Absolute Public Company Limited and its subsidiaries*

- 7) Selecting the qualified directors to be directors in sub-committees in order to propose to the Board of Directors' meeting for appointment to fill in the vacant position;
- 8) Considering and reviewing the Charter of the Nomination Committee and regularly perform;
- 9) Other duties assigned by the Board of Directors.

▪ **The Remuneration Committee**

The Board of Directors appointed the Remuneration Committee to support the Board of Directors in setting policies, pattern and criteria for paying the remuneration for the Company's directors, sub-committees as well as setting the remuneration for top executives and the person assigned by the Board of Directors to propose to the Board of Directors.

The Remuneration Committee consists of at least 4 directors. The Chairman shall be independent director and at least half of member shall be independent directors. Member of the Remuneration Committee shall be elect as Chairman of the committee.

**The Remuneration Committee has duties and responsibilities as follows:**

- 1) To consider the policy and structure of directors' remuneration and sub-committee of the Company and propose to the Board of Directors for consideration and further propose to the meeting of shareholders for approval;
- 2) To consider and review the remuneration structure and ratio of the top executives to be in compliance with the current market condition and suitable to the Company's business performance, and propose to the Board of Directors for further consideration.

To perform such duties, the Remuneration Committee considers from the reasonable and reflects the scope duties and responsibilities of director, the financial status of the Company in comparing with the good practice of other companies in the same size and same sector. The remuneration of directors shall be proposed to the Board of Directors for further approval by the shareholders' meeting consecutively.

▪ **The Risk Management Committee**

The Board of Directors appointed the Risk Management Committee to support the Board of Directors in setting risk management policy for overall corporate as well as to supervise and control to have risk management system or procedures to suitably remove/reduce the impacts on the business of the Company Group, also setting the composition, scope of authorities, duties and responsibilities to enable the Risk Management Committee to perform its duties with effectiveness.

The Risk Management Committee consists of at least 5 directors. Their duty is to propose and support to the Board of Directors. At least half of the members must have competent knowledge in finance, accounting, law or specific skill related to the business operation of the Company or risk management. The Risk Management Committee will select one member as the Chairman of the committee.

The duties of the Risk Management Committee are as follows:

- 1) To establish risk management policies, supervise and support efficient risk management covering the business operations of the Company which includes the risk of corruption and considering and reviewing various measures to prevent those risks to be at an acceptable risk level.
- 2) To follow up the implementation, review the report of risk management, ensure the appropriateness and sufficiency of the risk management, ensure the risk management remains in the acceptable level, and to ensure that the risk management has been continuously applied;
- 3) To regularly coordinate with the Audit Committee by exchanging knowledge and information regarding risk and internal control which impacts or may impact the Company, encourage to have culture of risk management and proper internal control.

▪ **The Corporate Governance Committee**

The Board of Directors appointed the Corporate Governance Committee, consisting of at least 3 Directors to perform duties in setting and reviewing policies, regulations and operational approaches to be in line with the principles of good corporate governance, setting policies and planning activities related to the social responsibility, holding meeting to follow up the progress of corporate governance plan and social responsibility as well as providing suggestions and necessary support, implementing internal audit with the criteria of corporate governance in order to determine issues to be improved and being the Company's representative to communicate and implement activities related to the corporate governance with all executives, employees and external organizations.

The duties of Corporate Governance Committee are as follows:

- 1) To determine and review policy, regulations and work practices to be in line with good corporate governance, determine and plan about activities related to corporate social responsibilities, the stakeholders, i.e.
  - 1.1) Shareholders
  - 1.2) Employees
  - 1.3) Social
  - 1.4) Trading Partner
  - 1.5) Creditor
  - 1.6) other stakeholders
- 2) To hold the meeting to monitor the progress of corporate governance plan as well as corporate social responsibilities, as well as to give advice and support as necessary;
- 3) To conduct internal assessment based on corporate governance principles in order to seek for improvement;
- 4) To act as representative of the Company in communication and conduct corporate governance with the executives, employees and external agencies.
- 5) Review and propose amendments to the scope of duties and responsibilities of the Corporate Governance Committee in accordance with current situation.
- 6) Performing other duties assigned by the Board of Directors.



## **7. Performance Evaluation of the Board of Directors' and Sub-Committees**

The Company conducts a self-assessment of the board of directors and sub-committees related to good corporate governance according to the board self-assessment form issued by the Stock Exchange of Thailand by conducting an evaluation form for both collectively and individually at least once a year. The Board of Directors jointly set criteria for self-assessment of the performance both collectively and individually. Self-Assessment is required to be conducted annually and the Board of Directors will jointly consider the evaluation results to determine ways to improve work.

## **8. Directors' remuneration**

The remuneration committee has duty to determine directors' remuneration policy and criteria and present to the Board for consideration and propose to the shareholders for approval. The remuneration is considered with appropriateness and consistent to the responsibility and contribution from each director.

In addition to the remuneration of the Board of Directors, the company also takes into account of the increased responsibilities from having more sub-committees, which the Board of Directors proposed to the shareholders' meeting to approve the remuneration of the subcommittees. For the compensation of the Chief Executive Officer, will go through the process of consideration by the remuneration committee before propose to the board of directors for approval.

## **9. Training and Development Course for Directors**

### **Directors Orientation**

Newly appointed director will be given information, regulations and business information crucial to his duties. The company secretary is assigned to provide the information of the organization structure, nature of business, business structure of the Group Company, regulations, the article of association of the Company, Code of Conduct consisting of corporate culture, business ethics, code of conduct for directors, executives and employees, Good Corporate Governance, and anti-corruption policy, enable that the directors to understand the business of the Company and related regulations

The Company provides opportunity of skills development of directors through continual training courses to support directors to perform their duties with full efficiency and effectiveness.

## 10. Succession Plan

The Board of Directors formulates the succession plan of CEO of Directors and top executives to ensure confidence among shareholder, investors, organizations and employees of continued performances. The succession plan is reviewed on annual basis.

### ▪ Succession Plan Policy

The succession plan is executed with transparency and adequacy to assure that the Company will have professional and high potential executive. The details of our succession plan are as follows:

#### 1) Chairman of the Executive Committee or equal position

Once the Chairman of the Executive Committee or equal position becomes vacant or unable to perform his duties, the Company may assign the duties to other executive in the similar or lower position as an acting person until the qualified person will be elected. The person elected to replace the vacant position should have great vision, competent knowledge and skills as well as an experience which suit to the culture of organization. In the event that the Chief Executive Officer is vacant, the Nominating Committee will consider the qualifications of persons nominated for the position of Chief Executive Officer and propose to the Board of Directors to approve the appointment.

#### 2) Executive

Once the executive position ranked from director upward, becomes vacant or person holding such position is unable to perform his duties, the Company may propose the elected successor to the Board of Executive Committee. The consideration procedures are as follows:

- Analyze the business operation, strategy, policy, investment plan, expansion plan, and evaluation of personnel readiness to be consistent with both short-term and long-term strategy of the Company.
- Formulate plan to prepare readiness of personnel by improving existing employee, or recruited for replacement.
- Formulate recruitment program, employee training and development prior to the retirement or early resignation.
- Determine competencies which mean knowledge, skill, personality and desirable attitude of the particular position, as well as to formulate development plan for individual person (Individual Development Plan).
- Select, evaluate on performance and competency of the applicant.
- Conduct testing and evaluating of applicant to analysis their competency.
- Specify the successor based on the evaluation, analysis of competency and performance, as well as to give notice to the applicant in advance to be prepared and acknowledge the position details, and to specify the alternative successor.
- Develop and evaluate the potential successor from his development and achievement. The potential successors who not meet the requirement will be replaced.

## 11. Nomination and appointment of the directors and top executive

### Composition and Nomination of the Board of Directors

- 1.) The Company has Nomination Committee to select and propose the qualified person with morality, ethics and meets the requirements as prescribed in Section 68 of the Public Limited Company Act B.E. 2535 and as stated in the related Notifications of the SEC and SET. The consideration also based on experience, knowledge, skills relevant to the business of the Company. Then the lists of selected applicants will be submitted to the Board of Directors for further proposal to the shareholders' meeting for selection and appointment. Currently, the Board of Directors consists of 11 members, 6 of them are Independent Directors, 2 of them are Executive Directors and 3 of them are non-Executive Directors.
- 2.) At the Annual General Meeting of Shareholders (AGM), one-third of all directors shall retire by rotation. In case the number of retire directors cannot be proceed, the similar amount to one-third of the directors to retire during the first year. In second year after retiring of the company, the ballot papers will be provided for seeking director to resign. Later years, the directors who hold longest term shall be retire. The retiring directors may be re-elected.
- 3.) Shareholders' meeting will appoint directors from majority votes according to the following rules and methods
  - 3.1 Shareholder has votes equal to one (1) share per one (1) vote.
  - 3.2 Each shareholder must use all existing votes according to Clause 3.1 to elect one person or many people as directors, however, the votes cannot be divided.
  - 3.3 Persons who receive the highest votes in descending order being elected as a director equal to the number of directors that should have or should be elected at that time. In the event that the person elected in the next order having equal votes in excess of the number of directors that the shareholders' meeting must elect at that time, the chairman of the meeting is the casting vote
- 4.) In the event that the position of the director is vacant due to reasons other than the expiration of the term, the Board shall select the qualified person and does not have the characteristics of being prohibited under the law on public limited companies and the law on securities and stock exchange, to be replaced in the next board meeting except that director's term shall be less than two months. The person who is the replacement director will be in the position of director only for the remaining term of the director that he replaced.
- 5.) The shareholders' meeting may have resolution to terminate director(s) prior to the term expiration with the votes of not less than three-fourths (3/4) of the attending shareholders with total shares no less than half of total shares hold by the attending shareholders with the rights to vote.

## ❖ Corporate Social Responsibilities (CSR) ❖

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The Company realizes the sustainable development of business, environment and society altogether, not only to build the robust business foundation, but also determine to create benefits and develop community to grow along with business operation.

As of Thai company, The social activity is set in place under the good corporate governance policy to take responsibility among stakeholders, create benefit and develop communities The Company and the Company Group will apply the social and environment responsibility as a part of business management (CSR-in-Process) under the “Corporate Social Responsibilities (CSR) Policy”<sup>13</sup> The details are as follows

### **Corporate Social Responsibility Policy (CSR)**

#### **Principle 1: Good Corporate Governance**

To conduct business in accordance with relevant laws and regulations, be transparent, disclose the significant information, verify and perform the good corporate governance policy as well as the Sufficiency Economy Philosophy by considering the benefit of shareholders, employee, communities, society, suppliers, media, customer, people, competitors, creditors, government agencies and all stakeholders.

#### **Principle 2: Conduct Business with Fairness**

To promote free trade competition, avoid any arrangement that may cause the conflicts of interest and violation of intellectual property and anti-corruption of all form.

#### **Principle 3: Human Rights and Treatment to Employees**

To comply with the corporate culture of the Company, support and respect to the protection of human rights, treat employee equally and be fair, provide welfare, safety and hygiene in the workplace as well as complying with the policy to promote the organization learning and personnel development to profession level. The employee is also encouraged to participate to create benefit to social both directly and indirectly.

#### **Principle 4: Responsibility to Consumers**

Aim to product development and services which no impact to consumers and environmental, being qualified according standard or higher that standard with fair and reasonable, to provide the sufficient information of products and services and to protect customer’s confidential information as well as not to use for own benefit or wrongfully related persons.

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<sup>13</sup> *Approved by the meeting of the Board of Directors No.6/2014 on 14 November 2014*

**Principle 5: Environment and Safety**

To realize and conduct the risk analysis process which impact to environment and safety in all business processes including the utilizing of resources efficiently.

**Principle 6: Participation in Development of Community and Society**

To encourage business operation to improve the quality of life, enhancing the economy and strength the surrounding communities.

**Principle 7: Development and Dissemination of Innovation from Social Responsibility**

To support the creation and promotion of stakeholders' participation in developing innovations to enhance the balance between communities' value, society, environment along with sustainable business growth.

Energy Absolute Public Company Limited and its affiliated companies determine and thrive to conduct business with fairness, adhering to social and stakeholder responsibility under the good corporate governance and the business ethics as well as policy and practice guideline for all stakeholders of the Company Group.

The Company attend “**Collective Action Coalition Against Corruption**”<sup>14</sup> to represent of intention and determination in anti-corruption of all forms.

The Company has in place the policy that defines the responsibility and regulations in appropriate operation to prevent corruption in all corporate activities. Besides, the ensure that the decisions and business operation that may have a risk of corruption will be considered and rectified prudently, the company has prepared the “**Anti-Corruption Policy**”<sup>15</sup> in written form as a clear practice guidance in business operation and to achieve the sustainable development.

- **Definition of Anti-Corruption Policy**

**Corruption** is defined as any types of bribery by means of offering, promising or soliciting of money, assets or other advantages which are considered inappropriate for government agencies, private agencies or the particular person whether directly or indirectly in order for them to act or refrain such person from acting or omitting one’s duty to acquire any other benefits which are not appropriate for the business unless the laws, rules, announcements, regulations and local customs or business practices have allowed so.

- **Anti-Corruption Policy**

The Company is aware of the importance of ethics, morals, and transparency in business operations including corporate social responsibility, the environment, and all stakeholders in accordance with the principles of good corporate governance. The Company prioritizes importance on the compliance with the rules, regulations and laws relating to anti-corruption including anti-corruption promotion activities within the company for better understanding and conscious commitment to against corruption in all forms.

To ensure that the Company has an appropriate risk management system to prevent corruption in all forms, the Company has set an anti-corruption policy to enable appropriate practices and operating regulations to prevent the corruption and to ensure the risk of fraud and corruption that may occur with the operations of the Company has been considered and implemented for prevention appropriately, sufficiently and prudently.

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<sup>14</sup> *Approved by the meeting of the board of Directors No.7/2013 on 14 November 2013*

<sup>15</sup> *Approved by the meeting of the board of Directors No.1/2013 on 28 February 2013*

The Company has therefore established a written anti-corruption guideline in writing including explanations, understanding and communication of the said guidelines to the Board of Directors. The Board of directors various sub-committees as well as employees at all levels of the Company and the Company group thoroughly. This is to be considered as a clear guideline for anti-corruption in all forms that may occur in the operations of the Company.

1. Prohibit the directors, executives, employees, and stakeholder groups of the Company and its affiliates proceed or accept all forms of corruption either directly or indirectly for the benefit of oneself, family, friends and acquaintances, covering all businesses in every country and all related agencies and to regularly review the implementation of this anti-corruption policy as well as reviewing the guidelines and operational requirements to be in line with business changes, regulations, and legal requirements.
2. To have measures to prevent and against corruption as a part of the Company's business operations. This is the responsibility of all departments, including directors, executives, employees of the Company and affiliates as well as groups of interested parties to participate in giving opinions on various practices to prevent and against corruption of the Company in order to achieve the Company's policy.
3. The Company must continually improve and develop measures to prevent and against corruption in accordance with relevant rules and regulations including the Code of Conduct and Good Corporate Governance, which must assess the risk of corruption that may occur in the Company's business operations and the preparation of guidelines under good internal control in order to prevent any forms of corruption from occurring in the Company's business operations.
4. The Company must not give or accept bribes or support all forms of bribery Including supervision and control of various donations including charitable donations, donations to political parties including giving or accepting gifts or receiving financial support as well as rewards or other benefits in order to make the transactions transparent and not to convince or motivate related persons, including directors, executives, employees of the Company and its affiliates as well as groups of public and private stakeholders performing improper operations.
5. The Company must provide a suitable, adequate, and sufficient internal control system to prevent corruption in all forms.
6. The Company must communicate the commitment of the Company in preventing and anti-corruption in all forms as well as promoting the knowledge on preventing and anti-corruption to the directors, executives and employees in order to instill good awareness and for all personnel of the Company being aware of their duties and responsibilities in carrying out their duty to fight against corruption in all forms.
7. The Company must provide a transparent financial reporting mechanism in accurate and reliable.

8. The Company must promote good and diverse communication channels in order to receive notification of fraud and corruption from directors, executives, employees and all relevant parties with a guarantee for the whistleblower to be protected by not being unfair punishment or being bullied and including the appointment of a person or group of people to closely monitor and monitor all corruption reports that have been reported.

- **Scope and Responsibilities**

- The Board of Directors:**

- The Board of Directors has duties and responsibilities to determine policies and oversee the effective Anti-Corruption policy, to ensure that the management is aware of and realizes the importance of anti-corruption and cultivate into corporate culture.

- Corporate Governance Committee:**

- Corporate Governance Committee is responsible for setting a policy, rules and guideline in accordance with the principles of good corporate governance which can be considered as an operating guideline for directors, executives and employees at all levels and support a good corporate culture within an organization.

- Audit Committee:**

- Audit Committee is responsible for corporate governance to ensure that the Company has an adequate internal audit system, internal control system, financial report system, monitoring system including law and regulatory compliance system to link with corruption risks that may occur as well as to consider and audit follows the Whistle Blowing policy to ensure that the Company performs with a concise and suitable operation and in accordance with international standards and able to prevent any form of corruptions.

- Risk Management Committee:**

- Risk Management Committee is responsible for setting risk management system as well as to promote and support anti-corruption policy by communicating to employees and related persons including review the process and measures to be in accordance with changing of business, laws and regulations.

- Executive Committee:**

- Their duties and responsibilities are to establish the anti-corruption system, to promote and support the Anti-Corruption policy. Then communicate to employees and all related parties. Moreover, the Executive Committee and Executives also have to review the adequacy of systems and measures to be in conformity with the changes of business, rules, regulations and law provisions.



**Internal Auditor:**

The Internal Auditors are responsible for auditing and reviewing to ensure business operation is proceeded accurately in line with the policy, code of conduct, authority, practice guideline, law and regulations. The conformity with these requirements is to reflect that the Company's control system is adequate and sufficient to the risks of corruption that may occur. After reviewing and auditing, the Internal Auditors must report the result to the Audit Committee.

**Employee:**

Employees are responsible to perform duties to ensure consistency with anti-corruption policy. In case those employees have questions or see actions suspected violations or non-compliance with this policy, the employee can report through the whistleblowing and complaint channels of the Company.

■ **Guidelines for the implementation of the anti-corruption policy**

Directors, executives, and employees at all levels, stakeholder groups, and affiliates must comply with this anti-corruption policy including the code of ethics, good corporate governance policies, and guidelines for various groups of stakeholders as well as regulations and regulations about the work of the Company and/or other guidelines that the Company will be determined further and must not directly or indirectly engage in corruption by the following:

1. The Company is very determined and determined to create and maintain the corporate culture as well as raising awareness among personnel in the organization to have a common awareness that corruption is not acceptable to the Company regardless of the form of corruption in any form.
2. There is no circumstance of giving bribery, or receiving bribery, or bribery to various stakeholders' related duties and their responsibilities, either directly or indirectly, in order to gain improper benefits despite being the Company's benefits or personal interests which must be treated as follows:
  - 2.1 Not accepting or giving gifts, souvenirs, or similar items to any person related to their duties, responsibility, and their work both in public and private agencies.
  - 2.2 Not accepting assets, things, gifts, gifts or other benefits which is an inducement or inducement to refrain or omit to perform their duties. However, in the event that it is necessary to receive any property, gift, or other benefit, the recipient should ensure that it is carried out correctly in accordance with the regulations and/or the Company's policy as well as various related laws. In this regard, any property, item, gift, or other benefit which is given to each other in that function, its price should not expensive and should suitable for each occasion.
  - 2.3 Not giving the property, items, gifts, or other benefits which is an inducement or inducement the recipient to make a decision or causing the recipient to not follow the trade practices as if they were with other partners. However, such giving must have a value not more than normal practice and suitable for each occasion.

- 2.4 Not being an intermediary or having any affiliations in offering money, assets, things or other benefits to those involved in the Company's business operations both public and private agencies in exchange for any special privileges that should not be obtained or unlawful or causing government officials to refrain or refrain from performing their duties according to the rules, regulations, and laws as specified.
3. For business operations and procurement with government agencies, do not give or accept bribes of any kind and must be done correctly. And being aware that rules, regulations, laws, rules, or traditions in each locality or in each country, may have different conditions, procedures, or practices. Therefore, contacting government agencies must be transparent, honest, and must proceed in accordance with relevant laws.
  4. In procurement whether done with government sectors or private agencies, it must proceed through the procedures in accordance with the Company's regulations, transparent, and can be inspected.
  5. Expenses for rearing business can do, but it must be reasonable, transparent, and can be inspected and to be in accordance with the ethics.
  6. Charitable donations must do as follows:
    - 6.1 Use of funds or other assets of the company for donations for that charity Must operate on behalf of the company only and must be a foundation charity organizations, hospitals, hospitals, temples, or organizations for social benefits With certificate or reliable can check This must be done through procedures in accordance with the regulations of the company
    - 6.2 Personal charitable donations can be done, but it must not cause suspicion of corruption or for any wrongful interest.
  7. Use of money or assets of the Company in order to support the Company's projects must be specified in the name of the Company only and must have business objectives creating a good image or for the reputation of the Company. Disbursement must specify objectives that are clear, transparent, and can be inspected, and proceed through the procedures in accordance with the Company's regulations.
  8. No political involvement. The Company will adhere to political neutrality, support and adhere to the law under democratic rule. And there is no policy to provide political assistance to any political party whether directly or indirectly.
  9. Directors, executives and employees of the Company and its affiliates must notify the responsible person immediately, and cooperate in the investigation of various facts without neglecting or neglecting to see any action that is considered corruption. However, if in doubt or questions such person may consult with the responsible person through various channels.
  10. The Company will provide fairness and protection for personnel of the Company who refuse or report fraud or corruption in accordance with the protection measures for whistle blowing, any offense and corruption without any action that is unfair to the whistleblowers, such as reducing positions, punishing or negatively affecting employees who refuse corruption, etc., although the said actions will cause the Company to lose business benefits or opportunities.

11. The Company considers that any corruption by directors, executives, employees of the Company and its affiliates, is a violation of the ethics and regulations of the Company. Such persons shall be subject to disciplinary consideration in accordance with the regulations stipulated by the Company, including legal penalties.

The Company is aware and gives importance to the dissemination of knowledge and understanding about anti-corruption policies. Corruption of the Company both personnel within the company including external parties involved in the company's business operations.

#### **Conditions and consideration for receiving complaints / Whistleblowing**

- 1.) Details of the complaint must be true, clear, and have enough information to conduct a fact search for further action.
- 2.) The complainant can choose not to reveal themselves in order to protect the complainant.
- 3.) Information that the Chairman of the Audit Committee received will be considered a secret and reveal as necessary with regard to the safety of the complainant.
- 4.) Complaints that have been screened and investigated will be reported to the Board of Directors to consider and determine suitable measures.
- 5.) Complainants will be protected despite being a company employee and outsiders.

#### **Whistleblowing / Complaint Channels**

Shareholders, directors, executives, employees and stakeholders in all groups can give clues in case of doubt or see actions suspected of violation or failure to comply with laws, regulations, or business ethics or events that may cause damage to the Company to the Chairman of the Audit Committee, which the Company will keep the said information confidential in order to prevent the whistleblower to suffer. Channels for whistleblowing are as follows:

- ❖ Letter to the recipient of the complaint :

**Chairman of the Audit Committee**

Address: Energy Absolute Public Company Limited

16<sup>th</sup> Floor, AIA Capital Center Building, No. 89

Ratchadaphisek Road, Dindaeng Sub-district,

Dindaeng District, Bangkok 10400 Thailand

- ❖ E-mail Address

chairman.audit.com@energyabsolute.co.th

### **Implementation**

1. Notify the progress/ consideration result of complaints to whistle-blower who disclosed his/her name and contact address;
2. The Company reserved its rights to not disclose any information and details concerning the interrogation or disciplinary action affecting the personal information and confidentiality.

### **Whistleblowing procedures**

1. The whistleblower is the Company's employee and outsider.
2. The person receiving the complaint in accordance with the channels specified by the Company is the Chairman of the Audit Committee.
3. Channels for reporting complaints / clues via:
  - chairman.audit.com@energyabsolute.co.th
  - www.energyabsolute.co.th
  - Send mail by post
4. Consider the facts and investigate and then report the results to the Board of Directors to determine further measures.

## Appendix 1: Proposal to the AGM Agenda

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### Criteria for shareholders to propose the Agenda for the Annual General Meeting

▪ **Objective :**

In accordance with the recommended best practices per “The Principles of Good Corporate Governance for Listed Companies” to ensure that all shareholders are treated equally. We, Energy Absolute Public Company Limited (“the Company” or “EA”) should facilitate minority shareholders to propose agenda to the Annual General Meeting of Shareholders (“AGM”) in advance and ensure that all shareholders are equitably treated and the selected agenda is beneficial to the Company. For clarity and transparency of the procedures and methods for consideration, the Company has established the criteria and procedures for the consideration of the matters proposed as follows:

▪ **Criteria for shareholders to propose the agenda for the AGM:**

Shareholder (s) who wishes to propose the agenda must possess the following qualifications:

1. Being the shareholder (s) of the Company which can be either one shareholder or combined shareholder to propose the agenda for the AGM
2. Shareholder (s) must hold at least 5% of the total shares of the Company (not less than 186.5 million shares).
3. Must be shareholder (s) holding shares as specified above on the date which shareholder (s) proposes the agenda and on the book closure date of AGM.
4. The evidence of shares held of shareholder (s), such as copies of certificate of shares held issued by the Securities Company or any other certificate from the Stock Exchange of Thailand (SET) or Thailand Securities Depository Co., Ltd. (TSD), together with the Form must be submitted to the Company

▪ **Consideration and Procedures:**

1. Shareholder (s) who possesses the qualification herein above can submit the Form “**The Proposed Agenda for the Annual General Meeting of Shareholders**” to the Company through email at (email address of corporate secretary) and Email address of IR) and send original Form, duly signed, together with other supporting documents as required to the following address within 31 December of each year.

**Energy Absolute Public Company Limited**

The Office of the Corporate Secretary

No. 89 AIA Capital Center, 16th Floor, Ratchadaphisek Road,

Dindaeng Sub-District, Dindaeng District, Bangkok 10400, Thailand

2. The Board of Directors reserves right and may refuse to include the following proposals as the agenda of the AGM:
  - (1) The proposals that specific in the section 89/28 of the Securities and Exchange Act (No.4) B.E. 2551 amended<sup>16</sup>
  - (2) The proposals that are beneficially only to a specific group or person.
  - (3) The proposals that under the operation of the Company.
  - (4) The proposals that under the control of management of the Company unless such proposals may lead or create the problem / damage to total shareholders.
3. The proposal which has been accepted by the Board of Directors will be included in the AGM and the Board of Directors will provide opinion that such agenda has been proposed by shareholder (s).
4. The proposal that has been rejected by the Board of Directors, it shall be notified as the matter for information in the AGM providing with the reasons of such refusal.

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<sup>16</sup> Section 89/28 of the Securities and Exchange Act (No.4) B.E. 2551 amended specific that the Board of Directors may refuse to include the proposal as the agenda of the shareholders meeting as follows:

- (1) The proposal does not comply with rules as specified in the first paragraph (Being a shareholder or shareholders who hold total shares and have the right to vote amounting to less than 5% of the total voting right of the Company);
- (2) The proposal is relevant to the ordinary business operation and the fact given by the shareholders does not indicate any reasonable ground to suspect the irregularity of such;
- (3) the proposal is beyond the company's power to produce the purposed result;
- (4) the proposal was submitted to the shareholders' meeting for its consideration within the previous 12 months and received the supporting votes of less than 10% of the total number of the voting rights of the company, unless the fact pertaining in the resubmission has significantly changed from that of the previous shareholders' meeting;
- (5) Any other cases as specified in the notification of the Capital Market Supervisory Board.

The Proposed Agenda  
for the Shareholders' Annual General Meeting ("Form")

Date \_\_\_\_\_

Name-Surname of Proposer (Shareholder (s)) \_\_\_\_\_

Address \_\_\_\_\_

Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_ Email \_\_\_\_\_

No. of EA shares held (as of the proposal date) \_\_\_\_\_ shares equivalent to \_\_\_\_\_ % of total shares of the Company

Objective:     For Information     For consideration     For approval

Proposed Agenda: \_\_\_\_\_

Reason / Rationale : \_\_\_\_\_

Total supporting documents: \_\_\_\_\_ pages

I certify that all information written in the Form, the evidence of share ownership, and other supporting documents are correct and give consent to disclose such information and documents.

I hereby sign my name as evidence below.

Signed by \_\_\_\_\_ Shareholder (s)  
( \_\_\_\_\_ )

**Remarks:** Shareholder (s) must enclose the following documents with the Form;

1. The evidence of shares held as of the proposal date, such as the statement or certificate of shares held in the Company issued by an authorized Securities Company or any other certificate from the Stock Exchange of Thailand ("SET") or Thailand Securities Depository Co., Ltd. ("TSD") evidencing the shares held by the Proposer.
2. In case the shareholder is a person, please attach a copy of valid ID card or passport (in case of non-Thai nationality) and certified true copy.
3. In case shareholder is a juristic person, please attach a copy of company's affidavit/certificate of registration which has been issued for not over than 3 months by Department of Business Development, Ministry of Commerce or other equivalent agencies (for non-Thai juristic persons) and copy of identification card / passport (in case of non-Thai nationality) of authorized director must be enclosed, duly certified by an authorized director.
4. In case shareholder (s) changes title, name, or surname, the copy of evidence of those changes shall be enclosed and certified true copy.
5. In case of the proposal is group of shareholders, all shareholders must sign on the Form and provide all supporting document as specific in 1 - 4.

## Appendix 2: The nomination of persons to be elected as directors

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### Criteria for shareholders to nominate the qualified person to be elected as Director to the Annual General Meeting of Shareholders<sup>17</sup>

#### ▪ Objective

In accordance with recommended best practices per “The Principles of Good Corporate Governance for Listed Companies” and to ensure that all shareholders are equitably treated, Energy Absolute Public Company Limited (the “Company” or “EA”) facilitates shareholders to nominate the qualified person for election as Director to the Annual General Meeting of Shareholders (“AGM”). The Company has established the criteria and procedures for consideration the qualified candidate for the election as Director as follows:

#### ▪ Criteria for shareholders to nominate the qualified person to be elected as Director

1. Being a shareholder holding at least 5% of total shares of the Company (not less than 186.5 million shares)
2. A shareholder who wishes to nominate the qualified candidate to be elected as Director must hold shares as specified above on both of the date which shareholder nominate the candidate for election as Director and on the book closure date of AGM.
3. A shareholder who wishes to nominate a Director must have the evidence of shares held, such as copies of certificate of shares held issued by Securities Company or any other certificates from the Stock Exchange of Thailand (SET) or Thailand Securities Depository Co., Ltd. (TSD).
4. The nominated candidate for election as Director must possess the qualifications as follows:
  - (1) Qualified according to the Public Limited Companies Act, Securities and Exchange Act including other relevant laws and regulations and in accordance with the Good Corporate Governance Policy of the Company.
  - (2) Knowledgeable, possess good background experience, capable, independent to perform director’s duties with care and loyalty, and able to attend Directors’ meetings regularly
  - (3) Having knowledge in one or more of the following fields:
    1. Manufacturing and distributing of Biodiesel products and Glycerin; or
    2. Operating Power Plant and Related Business; or
    3. Good Corporate Governance.
  - (4) Not holding board position in more than 4 listed companies and not in any competing business of the Company.
5. A shareholder who possesses the qualifications as above can submit the annexed form titled “Form to nominate the qualified person to be elected as Director” (“Form”)

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<sup>17</sup> The Board of directors Meeting No.1/2018 on 28 February 2018 resolved to revise the nomination form for selection as a director by article 6 - 8 and supporting evidence



6. A Shareholder can submit the Form and requisite information to the Secretary of the Nomination Committee of the Company through email: [NC.Secretary@energyabsolute.co.th](mailto:NC.Secretary@energyabsolute.co.th) and send the original Form, duly signed, together with other supporting documents to the followings designated person within appoint to period each year.

**Chairman of the Nomination Committee**

Energy Absolute Public Company Limited

No. 89 AIA Capital Center, 16th Floor, Ratchadaphisek Road,

Dindaeng Sub-District, Dindaeng District, Bangkok 10400, Thailand

7. The Company will initially consider the nominated candidate's qualification before proposing to the AGM.
8. If a proposal disapproved by the Company, the Company will post the reasons for refusal through the Company's website at [www.energyabsolute.co.th](http://www.energyabsolute.co.th) and / or any other appropriate information dissemination channels. The decision of the Company shall be final.

**The Shareholder who proposes the qualified candidate to be elected as Director must submit documents as follows:**

1. The evidence of shares held as of the proposal date, such as the statement or certificate of shareholding issued by the Securities Company or any other evidence from the Thailand Securities Depository Co., Ltd. (TSD) or the Stock Exchange of Thailand (SET) or copy of securities and certified true copies by such shareholder.
2. In case shareholder is a person, please attach a copy of valid ID card or passport (in case of nonresidents) and certified true copy
3. In case shareholder is a juristic person, please attach a copy of company's affidavit/certificate of registration which has been issued by Department of Business Development Ministry of Commerce for not over than 3 months, or other equivalent agencies (for non-Thai juristic persons) and copy of identification card / passport (in case of non-Thai nationality) of authorized director must be enclosed, duly certified by the authorized director (s) who sign on the Form.
4. In case shareholder change title, name, or surname, the copy of evidence of those changes must be enclosed and certified true copy.
5. Other necessary document.

Form to nominate the qualified person to be elected as Director  
to the Annual General Meeting of Shareholders for the year \_\_\_\_\_

1. I am (Mr./Mrs./Miss) / We are \_\_\_\_\_  
being a shareholder of the Energy Absolute Public Company Limited (the "Company" or "EA"),  
Resident at \_\_\_\_\_ Soi \_\_\_\_\_ Road \_\_\_\_\_ Sub district \_\_\_\_\_  
District \_\_\_\_\_ Province \_\_\_\_\_ Zip Code \_\_\_\_\_  
Phone number \_\_\_\_\_ E-mail \_\_\_\_\_
2. On the date of this proposal, I am / We are shareholder of EA with the total of \_\_\_\_\_ shares  
representing \_\_\_\_\_% of total shares of the Company.
3. I / We would like to nominate (Mr./Mrs./Miss) \_\_\_\_\_ Age \_\_\_\_\_ years,  
who is fully qualified and no forbidden qualification in accordance with this criteria for election to be the Company's  
director. The nominee has signed below as an evidence of consent. The curriculum vitae of the nominee and other  
support documents have been enclosed and certified true copy on every page, Total \_\_\_\_\_ pages.

I certify that all information written in this form, evidence of shareholding, and all other supporting documents are true  
and correct and allowing the Company to disclose all information and documents.

I have affixed my signature as evidence below.

Signature \_\_\_\_\_ (Shareholder)  
( \_\_\_\_\_ )  
Date \_\_\_\_\_

4. I am (Mr./Mrs./Miss) \_\_\_\_\_ the nominee for the election as Director.  
I consent and certify that I have full qualifications with no forbidden qualification according to the criterion of  
regulators. I agree to provide personal information, including accept for checking in personal qualification with  
relate party. I hereby affix my signature as evidence thereof.

Signature \_\_\_\_\_ (Nominee)  
( \_\_\_\_\_ )  
Date \_\_\_\_\_