

(Translation)



## **Corporate Governance and Anti-Corruption Policy**

**Bangkok Aviation Fuel Services Public Company Limited**

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	..... (Mr.Palakorn Suwanrath) Chairman

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## Introduction

Bangkok Aviation Fuel Services Public Company Limited realizes the importance of business operations under good corporate governance principles for listed companies of the Stock Exchange of Thailand, corporate governance policy, anti-corruption policy, and code of conduct while strongly believing in leading the Company to achieve its goals and sustainable growth as well as to build trust among all shareholders and stakeholders to establish a basis for good corporate governance and anti-corruption policy to be applied by the Board of Directors, executives, and employees as their practical guidelines.

The Board of Directors has set forth written corporate governance policy since 2002 and has consistently improved the content of the corporate governance policy for appropriateness to update such policy of the Company and to be in compliance with the international code of conduct as well as laws, rules, orders, regulations, and recommendations of agencies responsible for corporate governance. In 2015, the Board of Directors' Meeting No. 4/2015 passed a resolution to approve the improvement of good corporate governance policy and changed the name from corporate governance policy to good corporate governance policy. However, the Company cancelled the corporate social responsibility policy which has been replaced by sustainability policy. In 2016, the Board of Directors' Meeting No. 4/2016 passed a resolution to approve the improvement of good corporate governance policy and changed the name from "good corporate governance policy" to "good corporate governance and anti-corruption policy". In 2017, the Board of Directors' Meeting No. 5/2017 passed a resolution to approve the improvement of good corporate governance and anti-corruption policy to be in compliance Corporate Governance Code (CG CODE 2017) of the Securities and Exchange Commission.

## Vision and Mission

### Vision

Sustainable fuel services by adhering to quality, safety, and the environment.

### Mission

#### **1. Towards shareholders**

To conduct business to attain sustainable wealth and positive returns to shareholders consistently..

#### **2. Towards customers**

To deliver customer satisfactions by focusing on quality and utmost safety, in accordance to international standards.

#### **3. Towards business partners**

To adhere to the Corporate Governance Codes, guidelines of the Collective Action Coalition against Corruption, and to strictly comply with the contracts and conditions as agreed.

#### **4. Towards employees**

To develop the employees to reach their highest potential, professionalism and ethics, and to adhere to the Corporate Governance Code.

#### **5. Towards society, communities and the environment**

To be responsible for the society, community and environment, as stipulated in the Sustainability framework.

#### **6. Towards regulators**

To abide by the laws, regulations and other rules relevant to the business conduct, with accountability, virtue, and transparency.

#### **7. Towards competitors**

To conduct business fairly in accordance with international practices, under the rules and regulations relating to trade.

## Core Value

### 1. Principles

The Company has carried out an important duty to require employees to align with core value established by the Company whose objectives are as follows:

- 1) To provide practical guidelines on good behavior in compliance with the Company's vision, mission, main capability, and business goals and to ensure that the entire organization is moving in the same direction.
- 2) To build good relationships among employees at all levels.
- 3) To be the foundation for continuous development and improvement for work efficiency

### 2. Policy

The Company's core value are appropriate behavior guidelines established by the Company to be practiced by all employees for orderliness throughout our operations to improve employee performance to meet the Company goals.

The core value consist of 4 factors whose acronyms match the Company's: **B A F S**, which can be defined as follows:

#### **B: Belief in Teamwork**

We believe in teamwork under the following behavior guidelines:

1. We shall always be ready to work with others.
2. We shall respect and accept colleagues.
3. We shall respect the elders by greeting them with a "wai" in a humble manner.
4. The elders shall reciprocate with kindness and sincerity.
5. We shall trust one another.
6. We shall cooperate, support, and coordinate.
7. We shall build good relationships to promote teamwork and unison for ultimate achievements.

#### **A: Awareness of Safety, Quality and the Environment**

We realize the importance of safety, quality, and the environment under the following behavior guidelines:

1. We shall be committed to safe operations.
2. We shall make safety our first priority throughout our operations.
3. We shall operate our business according to accurate and complete procedures.
4. We shall inspect our quality and review every single operation.
5. We shall maintain our quality in accordance with the specified standard.

6. We shall consistently improve our capabilities while recognizing the impacts towards the environment and the stakeholders.

## **F: Following Best Practices**

We are committed to corporate governance principles under the following behavior guidelines:

1. We shall perform our duties with dedication, diligence, and integrity.
2. We shall operate our business with transparency and fairness.
3. We shall be bound by professional morality and ethics.
4. We shall maintain the confidentiality, benefits, and assets of the Company.
5. We shall behave in accordance with the ethical code of conduct and the Company's rules at all times.

## **S: Services With Our Hearts**

We provide our services with our hearts under the following behavior guidelines:

1. We shall be committed to servicing with our hearts.
2. We shall be pleased to listen to our customers to take good care of them while responding to the customers' needs with accuracy and promptness.
3. We shall build good relationships with both internal and external customers to achieve ultimate customer satisfaction.
4. We shall provide services with a smile and greet customers with a "wai" and saying "Thank You" with a "wai" for each service.

If an employee finds the behavior guidelines or the interpretation of the core value doubtful, please consult his/her immediate supervisor.

Bangkok Aviation Fuel Services Public Company Limited realizes the importance of good corporate governance and anti-corruption policy, the crucial factor that promotes the Company's effective operations and foundation for sustainable growth. Hence the Company has adhered to business operations in compliance with the Securities and Exchange Act, the Stock Exchange and the Securities and Exchange Commission's requirements, the business laws, the Company's regulations, the codes of practice for the directors of listed companies, and the good corporate governance principles while having an obligation to all stakeholders and the environment with accountability, transparency, equitable treatment, long-term value-added creation to stakeholders, and promotion of best practices. The Company has also adhered to the Company's business ethics for transparent operations and has established practical guidelines whose essences can be categorized into the following 8 principles:

### **Principle 1 The Corporate Governance Code**

#### **1.1 Establish Clear Leadership Role and Responsibilities of the Board Directors**

The Board Directors realizes the roles and responsibilities of the leaders of the organization who perform supervision to ensure good corporate governance for the Company by taking into consideration the benefits for all stakeholders to add sustainable value to the business while providing long-term performance, conducting business with ethics, taking full responsibility for stakeholders, improving the environment by reducing negative impacts, and adapting to changes.

In addition, the Board of Directors has a duty to supervise the directors and the executives to perform their duties with responsibility, caution, and integrity for the organization, and performs supervision to ensure business operations are carried out in compliance with laws, objectives, regulations, shareholders' resolutions, the Board of Directors' resolutions, and other related policies of the Company by designating roles and responsibilities of the Board of Directors, the sub-committee, and the executives in writing for effective business conduct which can be defined as follows:

### **The Board of Directors**

#### **1. Members and Qualifications of the Board of Directors**

- 1.1 The Board of Directors shall consist of at least 11 but not more than 15 members who are appointed and removed by the shareholders' meeting. No less than half of the entire members shall reside in the Kingdom of Thailand and the Directors of the Company shall be qualified and possess no prohibited characteristics as prescribed by laws.
- 1.2 Any person nominated as Director of the Company shall be of legal age but not more than 77 years of age and shall possess good health.
- 1.3 The shareholders' meeting shall appoint directors by the majority vote in accordance with designated rules and methods except for 3.3.
- 1.4 The Board of Directors shall select and appoint one member as Chairman by the majority vote. However, the Chairman shall serve for terms of 2 years.
- 1.5 The Board of Directors shall select and appoint one member as Managing Director by the majority vote. However, the Managing Director shall serve for terms of 4 years.

#### **2. Chairman and Managing Director**

The Chairman shall be a non-executive director and shall not be the same person as the Managing Director and shall have no relationships with the executives. The Chairman's roles, authorities, and duties shall be clearly separated. The Chairman shall be an independent director to perform the following duties:

- 2.1 Set the agenda of the Board of Directors' meetings with the Managing Director and ensure the directors of the Company receive accurate, complete and clear information in time before the meetings so that the directors of the Company can make decisions appropriately.
- 2.2 Be the leader of the Board of the Directors and chair the Board of Directors' meetings.
- 2.3 Conduct the Board of Directors' meetings in accordance with the agenda, the Company's regulations, and laws.
- 2.4 Provide sufficient timing and promote discussions from all directors of the Company to freely exchange opinions and use discretion by taking into consideration the benefits of all stakeholders.
- 2.5 Make clear conclusions and resolutions as well as next steps.
- 2.6 Set up the Board of Directors' meetings without the participation of any directors of the Company from the management division.

- 2.7 Lead the shareholders' meetings to ensure they are in compliance with the agenda, the Company's regulations, and laws within appropriate timing while creating an opportunity for shareholders to equally express their opinions and ensuring the question & answer sessions for shareholders are conducted with appropriateness and transparency.
- 2.8 Support and lead as role model for operations in accordance with good corporate governance and anti-corruption policy and business ethics.
- 2.9 Enhance relationships between executive directors and non-executive directors, and between the Board of Directors and the management division.
- 2.10 Perform supervision to ensure disclosure of information and transparent management in the case of conflict of interest.
- 2.11 Perform supervision to ensure appropriate structure and members of the Board of Directors.
- 2.12 Perform supervision to ensure the duties of the Board of Directors, the sub-committee, and each director of the Company are carried out with effectiveness and efficiency to meet the objectives as planned.
- 2.13 Carry out duties in accordance with laws, particularly the Chairman's tasks.
- 2.14 Ensure that all directors are involved in the support of ethical corporate culture and good corporate governance.

The Managing Director shall be the head and the leader of the Company's executives accountable to the Board of Directors in the management tasks in accordance with the Company's policies and strategic plans.

### 3. Term of Office for Directors

- 3.1 At every annual general meeting, one-third of the directors shall vacate from their offices. Directors who have served the longest in their positions shall retire. Directors who retire by rotation may be re-elected as directors.
- 3.2 Apart from vacating office by rotation, directors shall vacate office upon:
  - (1) death.
  - (2) resignation.
  - (3) lack of qualifications, or possession of disqualifications under the law.
  - (4) the meeting of shareholders resolving to remove.
  - (5) the Court issuing an order to remove.
- 3.3 In the case of a vacancy in the Board of Directors otherwise than by rotation, the Board of Directors shall elect one person who is qualified under the law as a replacement director at the next Board of Directors' meeting, except where the remaining duration in office of the director is less than two months. In such a case, the Board of Directors may elect any person as a replacement director. The resolution of the Board of Directors under paragraph one shall be passed by a vote of not less than three-fourths of the number of the remaining directors. The said replacement director shall hold office only for the remaining term of the director whom he/she replaces.
- 3.4 Any director who wishes to resign from office shall submit a resignation letter to the Company. The resignation shall be effective from the day the original resignation letter reaches the Company.

3.5 The shareholders' meeting may pass a resolution to remove any director from office before the expiration of the term, whose number of votes shall not be less than three-fourths of the shareholders present and have the right to vote at the meeting while the total number of the votes at the meeting shall not be less than half of the shares held by the shareholders present and have the right to vote.

#### 4. Retirement Age of Directors

The Board of Directors establishes a retirement age of the directors as follows:

4.1 The directors shall vacate office on the last day of their birth month when they completes 77 years of age.

4.2 The managing directors shall vacate office on the last day of their birth month when they completes 65 years of age.

#### 5. Roles, duties and responsibilities of the Board of Directors

5.1 Perform duties in compliance with laws, objectives, regulations, shareholders' resolutions, the Board of Directors' resolutions, and the Company's policies related to the Board of Directors with responsibility, caution and integrity by taking into account the best benefits of the Company, having no stake in the outcome and not performing any act contrary to or inconsistent with the interests of the Company.

5.2 Define and review the Company's vision, objectives, main goals, strategies, policies, core value as well as provide important resources for the Company.

5.3 Perform supervision to ensure the Company can create sustainable value to provide a good long-term performance, to conduct business with ethics, to take full responsibility for stakeholders, to improve the environment by reducing negative impacts, and to adapt to changes.

5.4 Perform supervision to ensure the executives and employees carry out their duties with responsibility, caution and integrity for the organization and to ensure business operations are performed in compliance with laws, objectives, regulations, shareholders' resolutions, the Board of Directors' resolutions, and other related policies of the Company.

5.5 Assign duties and responsibilities to the Managing Directors and the executives clearly in writing and ensure they conduct business in accordance with the policies and the scope of duties and responsibilities with efficiency and effectiveness.

5.6 Oversee and monitor the executives to ensure they include the Company's vision, objectives, goals, strategic plans and the Board's resolutions in the operational plan for actual implementation in a way to efficiently and effectively allocate resources and to help build a corporate culture of innovation to add value to the Company in the long run.

5.7 Determine and review the Board of Directors' structure and members, the appropriate number of directors and independent directors to be in compliance with objectives and strategic plans of the business operations.

5.8 Establish processes to recruit and select directors and managing directors in a transparent manner and to provide professional development for directors, managing directors and senior executives to have necessary knowledge, skills,

experience and attributes for moving the organization forward to achieve its goals, as well as monitor and oversee the personnel management and development for appropriate headcount planning, knowledge, skills, experience and motivation.

- 5.9 Establish rules to set remuneration for directors and executives appropriate to their roles and responsibilities in a manner comparable to those in the same industry and consistent with strategies, short-term and long-term goals and performance of the Company.
- 5.10 Monitor, oversee and manage conflicts of interest which may occur between the Company and the executives, the Board of Directors or shareholders, as well as prevent undue use of the Company's property, information and opportunities and ensure the business transactions with those who have a relationship with the Company are complied with laws, rules and requirements of the authorities.
- 5.11 Formulate policies; direct, control and oversee the implementation of anti-corruption policies and practices, complaint handlings and actions when having clues at all levels of the organization and to outsiders.
- 5.12 Ensure the Company has effective risk management process, internal control and internal audit in accordance with laws and related standards.
- 5.13 Independent directors use their own discretion independently in establishing strategies, management practices, resource utilization, Board of Directors appointments and standards of business operations while pledging to oppose any act of other directors or executives which come into conflict in matters affecting the equality of all shareholders.
- 5.14 Prohibit directors to conduct a business, to be a director / executive / shareholder in the same industry and in the competitive business, regardless of what they do for their own benefits or for others unless they have informed to the shareholders' meeting or the Board of Directors' meeting before the said appointment is made. However, one director shall hold office as a director in no more than 5 listed companies.
- 5.15 Maintain the Company's inside information derived from performing duties and not use it for self-benefit or for others, as well as stop buying and selling stock before the announcement of financial statements at least 30 days and after the announcement of financial statements at least 1 day.
- 5.16 The directors shall report to the Company without delay when the following cases occur:
  - (1) having a direct or indirect interest for their own benefit or for related persons, whose interest is involved with the Company's or the subsidiary's administration.
  - (2) holding shares or debentures in the Company or the affiliates by indicating the total number of shares increasing or decreasing.
- 5.17 Ensure the Company has a Corporate Secretary to provide advice on laws and regulations and to take responsibility for preparing and filing documents related to the Board of Directors' meetings, the shareholders' meetings and to perform other duties as prescribed by laws.
- 5.18 Ensure the Company prepares financial statements and other reports in accordance with related rules, standards and practices, and discloses such information to the stakeholders accurately, adequately, timely and equally, while

ensuring the shareholders are involved in making important decisions of the Company.

- 5.19 The Board of Directors may consider hiring an external advisor to give them advice or to assist their work, whose information as well as the state of independence and the non-conflict of interest of the external advisor shall be reported to the Company's Board of Directors for acknowledgement and shall be disclosed in the annual report.

## 6. Authorization of the Board of Directors

The Board of Directors has authority to establish policies and approve various matters under the scope of duties prescribed by laws, the Company's regulations and the shareholders' resolutions, as well as to define and review the vision, operational strategies, budget plans and annual business plans, monitoring and assessment processes, capital expenditures, mergers and acquisitions, business separation and joint ventures, etc.

## 7. Meetings of the Board of Directors

- 7.1 The Board of Directors holds a minimum of 5 meetings per annum and special meetings are added as necessary. Board of Director Meetings are to be called by the Chairman of the Board; however if the Chairman is not available or is unable to perform his duties the Managing Director shall call the meeting of the Board of Directors. If necessary, two or more directors may request that a meeting of Board of Directors be called. In the event of two or more Directors making such a request the Chairman of the Board shall set a date for a meeting for within 14 days from the date of receipt of such a request. If the Chairman of the Board is not available or is unable to perform his duties then the Managing Director shall set the date of the meeting in his place.
- 7.2 At a meeting of the Board of Directors, there shall be directors present of not less than one half of the total number of directors in order to form a quorum. In the event that the Chairman of the Board is absent or unable to discharge his/her duties if the Vice-Chairman is available, he/she shall preside over the meeting. If the Vice-Chairman is absent or unable to discharge, then the directors attending the meeting shall elect one of the directors to preside over the meeting.
- 7.3 Decisions made by the meeting shall be based on a majority of votes. Each director shall have one vote except that a director having a personal interest in any matter shall have no right to vote on that particular matter. In the case of tie of votes, the presiding Chairman is entitled to the casting vote.
- 7.4 The directors shall attend meetings regularly and provide sufficient timing in the meeting, including explaining reasons at all times when they are unable to attend. In addition to the meetings of the Board of Directors, all directors especially the Chairman of the Board and the sub-committees who have been appointed by the Board of Directors shall attend the shareholders' meeting to answer questions in the meeting.
- 7.5 The minimum quorum at the time when the Board of Directors vote in the Board meeting shall have at least two-thirds of the total number of directors.

7.6 The directors shall attend at least 75% of the total number of meetings in each year.

## 8. Assessment of the Board of Directors

8.1 The Company shall evaluate the efficiency of the Board of Directors' meeting each time and every time after the meeting is completed. The results of the assessment shall be notified to all directors at the next Board of Directors' meeting.

8.2 At the end of the year, the Company shall distribute assessment forms to all directors to assess their performance of that year. The assessment forms shall be returned to the Company within the specified period so that the Company shall collect information to inform the Board of Directors of the results in the Board of Directors' meeting in February of the following year. The Company shall provide both the self-assessment form of the director and the assessment form of the Board of Directors in order for all directors to assess their roles and effectiveness in management and corporate governance and the overall Board of Directors performance while the results shall be used for further development of duties.

## 9. Meeting documents and minutes of the Board of Directors

9.1 The Corporate Secretary shall send meeting invitation letter and meeting agenda to all directors at least 7 days before the meeting date in accordance with the Company's regulations to allow the directors to have sufficient time to study information and details. Moreover, in order for the Board of Directors to exercise prudent judgment in making decisions, the Company shall invite senior executives who involve in various matters to join the meeting to clarify essential information and details for decision making.

9.2 The Corporate Secretary shall prepare the minutes of the Board of Directors' meeting to be completed within 14 days from the date of the meeting.

## 10. Data reporting

10.1 The Board of Directors has a duty and responsibility to provide financial reports and non-financial reports to shareholders and general investors in an accurate, complete and transparent manner with reasonable explanations and supplementary figures in terms of the Company's performance, policies, future trends, achievements and obstacles.

10.2 The Board of Directors shall have a good understanding of financial information and shall not interfere in the objectives and professional standards of the Company's auditors.

In the event that the Company's auditors withdraw or are withdrawn from the audit, the reasons shall be provided to the Securities and Exchange Commission and the Stock Exchange of Thailand.

- 10.3 The Board of Directors shall prepare a report showing the responsibilities of the Board of Directors on the preparation and disclosure of the Company's financial reports, which shall be published in the Annual Report along with the financial statements verified by the auditors.
- 10.4 The Board of Directors shall disclose their compliance with the principles of good corporate governance as prescribed by the Stock Exchange of Thailand.
11. Orientation for new directors and knowledge enhancement for directors
- 11.1 When a new director is appointed as a director, the Corporate Secretary shall be a coordinator to organize a meeting between new directors and the executives to allow new directors to obtain information related to the Company i.e. the history, the nature of business, the shareholding and management structure, and other essential matters, as well as to arrange for a Company visit.
- 11.2 The Company places importance to the training of the Board of Directors and has set a budget for such training. Hence when having courses which are considered to be important and useful for the directors, for instance, courses organized by the Thai Institute of Directors, the Corporate Secretary shall inform the directors as to whether they shall attend the course or not and arrange for the training as necessary and as appropriate.
12. Holding the Director Position in Other Companies for Directors and Managing Directors.
- The Board of Directors realizes the importance of performing duties with efficiency as directors and managing directors. Thus, a policy of holding the director position in other companies has been formulated under the best practice prescribed as follows:
- 12.1 The Director shall hold office as a director not more than 5 listed companies.
- 12.2 The Managing Director is allowed to hold the position of Director or Managing Director in other companies besides the subsidiaries, the affiliates or other companies in which the Company holds shares only when those were approved by the Board of Directors.

### **Audit Committee**

#### 1. Objective

To be an important tool of the Board of Directors to ensure good corporate governance with respects to business engagement and administration, satisfying the required standard, being directed with correctness and transparency as well as, adaptation of a reliable financial report system, for the benefits of all investors and relevant parties and in coherence to the Manual of Practice of the Stock Exchange of Thailand (SET).

#### 2. Composition and Qualification

2.1 Audit Committee shall consist of and be qualified as follows:

- (1) Member of Audit Committee shall be an independent director of the Company and be qualified as prescribed by both SEC and SET.
- (2) Member of Audit Committee shall be designated and appointed either by Board of Directors or at a general shareholders' meeting of the Company.
- (3) Audit Committee shall consist of at least 3 members with adequate knowledge and experiences to act as Audit Committee, in this regard, there

shall be at least one member of Audit Committee who has adequate knowledge and experiences to verify reliability of balance sheets.

2.2 Member of Audit Committee shall serve for 3 years term of office.

2.3 Member of Audit Committee shall retire upon:

- (1) Resignation by notifying his/her resignation, together with reason thereof, to the Chairman of the Company, in advance not less than 30 days, so that Board of Director or General Shareholders' Meeting may designate and appoint any qualified director as a new member of Audit Committee in substitution of the resigning member of Audit Committee.
- (2) Lacking qualification to act as Audit Committee as required by the Audit Committee's Charter, laws on Securities and Exchange, requirements of SEC and SET.
- (3) Completion of his/her term of office in Clause 2.2, however; such dismissed member of Audit Committee may be re-elected.
- (4) Termination as a director of the Company, regardless; if any member of Audit Committee retired by rotation is re-elected as a director of the Company; such director shall act as Audit Committee until the expiration of the previous Audit Committee term of office.
- (5) Death.

If a Audit Committee member vacates office before completing a term in office for any reasons, the re-elected Audit Committee member shall hold the position for the remaining term of office of the Audit Committee member who vacates the office.

### 3. Scope of Authorities, Duties and Responsibilities

- 3.1 Verify that the Company adequately and properly produces and submits its financial reports.
- 3.2 Verify that the Company correctly, completely and reliably produces and submits its business operation reports.
- 3.3 Verify that the Company implements proper and effective internal control and internal audit; and to consider the independence of Internal Audit Department, as well as to approve appointment, rotation, termination of employment of director of Internal Audit Department and other departments in charge thereof.
- 3.4 Verify that the Company complies with laws on Securities and Exchange, requirements of SET and other laws relevant to the Company's businesses.
- 3.5 Verify that the Company honors its commitments made with any third party.
- 3.6 Verify that the Company properly maintains and preserves its properties.
- 3.7 Verify that the Company adheres to its anti-corruption measures.
- 3.8 Verify the correctness of reference sources and self-assessments on the Company's anti-corruption measures in conformity to the Thailand's Private Sector Collective Action Coalition Against Corruption.
- 3.9 Verify the independence of Risk Management and Internal Audit of the Company, to ensure carrying out of any efficient and effective risk management and proper Internal Audit and consistency of communications between Risk Management and Internal Audit by exchanging knowledge and information on risk management and internal control which affect or may affect the Company.
- 3.10 Consider, select, propose to appoint any independent person to act as Auditor, to fix his/her remuneration, as well as to terminate any interim Auditor and

participate in, at least once per year, the meeting with auditors in absence of the Management.

- 3.11 Consider connected transactions or transactions which may have conflicts of interests to comply with the laws, requirements of the Stock Exchange, in order to ensure that such transaction shall be reasonably carried out and provide the maximum benefits to the Company.
- 3.12 Consider and revise the Audit Committee's Charter at least once per year.
- 3.13 Carry out annual overall self-assessment on the operation of the Audit Committee on a yearly basis.
- 3.14 Consider and approve an annual work plan, budget, and manpower of the Internal Audit Department by an approval of the Managing Director.
- 3.15 Produce reports of the Audit Committee and disclose the same in the Company's annual report. Such report shall to be signed by Chairman of Audit Committee and shall include at least the followings:
  - (A) Opinion of the accuracy, completeness and reliability of the Company's financial report.
  - (B) Opinion of the adequacy of the Company's internal control.
  - (C) Opinion of the compliance with laws on Securities and Stock Exchange, requirements of the SET and other laws relevant to the Company's businesses.
  - (D) Opinion of the properness of auditors.
  - (E) Opinion of any transactions which may have conflicts of interests.
  - (F) The number of Audit Committee's meetings and the number of attendance of each member of Audit Committee.
  - (G) Opinion or overall points to be concerned found by the Audit Committee from application of the Charter of Audit Committee.
  - (H) Other transactions required to be acknowledged by shareholders and the public within the scope of authorities, duties and responsibilities as assigned by the Board of Director of the Company.
- 3.16 The Audit Committee has the power and authority to hire other professional advisors as deemed necessary at the Company's expense. In this regard, all hire of professional advisor shall be subject to the relevant internal regulations of the Company.
- 3.17 The Audit Committee has the power and authority to summon any executives and relevant persons for inquiry of his/her opinion, participation of meeting or submission to the Audit Committee of any relevant documents as deemed necessary.
- 3.18 Perform any other tasks as assigned by the Board of Directors and by approval of the Audit Committee.

In the fulfillment of the duties and authorities mentioned above, the Audit Committee shall have its direct responsibility to the Board of Directors, meanwhile. the Board of Directors still have the full responsibility for the Company's business operation to any third party.

#### 4. Audit Committee's Meeting

- 4.1 Audit Committee's meeting shall be arranged at least once per quarter.

- 4.2 All Audit Committee's meeting shall be participated by members of Audit Committee not less than half of all existing or half of the minimum number of members of Audit Committee as required by the SEC and SET, whichever is higher, to constitute a quorum. The Audit Committee's meeting may be held despite of the number of members of Audit Committee failing to meet the minimum requirement of the SEC or SET, or during relaxation period of SEC or SET.
- 4.3 In the event that Chairman of Audit Committee is absent or unable to perform his/her duty, then the members of Audit Committee attending the meeting shall elect one of the members to preside over the meeting.
- 4.4 The decisions made by the meeting shall be based on a majority of votes. Each member of Audit Committee shall have one vote except that a member having a personal interest in any matter shall have no right to vote on that particular matter. In the case of tie of votes, the presiding Chairman is entitled to the casting vote.

## 5. Audit Committee Assessment

The Company shall distribute an assessment form to all member of Audit Committee in December of every year, to make an assessment for the present year. All filled out assessment forms shall be returned to the Company within a specified period, to gather all data and propose to Audit Committee's meeting and Board of Directors' meeting in January and February of the following year. The Company shall arrange both self and group assessment of Audit Committee enabling all members of Audit Committee to assess the auditing roles and effectiveness as a member of Audit Committee and the same of Board of Audit Committee in overall.

## 6. Audit Committee's Report

### 6.1 Report to Board of Directors

Audit Committee have its direct responsibility to file report on all activities undertaken by Audit Committee to the Board of Directors on a regular basis, for the Board of Directors' acknowledgement. In addition, upon finding or suspecting of the following transaction or activity:

- (1) Transaction which have a conflict of interests.
- (2) Corruption, irregularity or impairment significant to internal control.
- (3) Violation against laws on Securities and Stock Exchange, requirements of SET, or other laws relevant to the Company's businesses.

Which may significantly affect the financial status and business operation of the Company, Audit Committee shall file report on such matter to the Board of Directors, for rectification by the Board of Director or executive within a period deemed fit to Audit Committee.

### 6.2 Report to Official Authority

Unless the Board of Director or executive proceeds with the rectification within the period as specified by Audit Committee in Clause 6.1, any one of the members of Audit Committee may report such transaction or activity to the SEC or SET.

In addition, if Audit Committee reports to any auditor of any suspicious circumstance that any director, manager or other person in charge commits an offence as prescribed by the Securities and Stock Exchange Act, Audit Committee shall without delay inspect and report the primary inspection result to the SEC and auditor within 30 days from being notified by the auditor.

### 6.3 Report to Shareholders and General Investors

Audit Committee produces an Audit Committee's report based on the duties, authorities and responsibilities assigned by the Board of Directors. Such report shall be signed by Chairman of Audit Committee, include at least the data as required by the regulations of the SET, and disclose in an annual report of the Company.

## **Risk Management Committee**

### 1. Objective

To observe and oversee corporate risk management of the Company and its subsidiaries (Company Group) to ensure that:

- 1.1 Management emphasizes application of scope of risk management to be continuously and congruently performed to promote a sustainable business operation.
- 1.2 There shall be proper instrument and process for supporting all personnel in all departments to fulfill his/her duties pertaining to risk management.
- 1.3 Management understands and accept the responsibilities to indicate, assess, manage and control risk to be in an acceptable risk tolerance level.
- 1.4 Risk Management can:
  - 1.4.1 Mitigate the risk of damage or opportunity loss against accomplishment of objectives and strategic targets.
  - 1.4.2 Prevent corruption inclusive of loss and damage against the Company's property.
  - 1.4.3 Ensure that the Company correctly complied with all laws and regulations.
  - 1.4.4 Maintain a proper level of operational quality system and safety health and environment standards.
  - 1.4.5 Enhance risk management policies by focusing on complying with the good corporate governance, morals, ethics, and anti-corruption policy for sustainability of the business by balanced return of benefit to all interested persons throughout supply-chain in the aspects of economics, society and environment.

### 2. Power and Authorities

- 2.1 Revise risk management policy at least once per year as well as primarily approve any revision before proposing for an approval of the Board of Directors.
- 2.2 Approve a scope of risk management of the Company, follow up its implementation, and verify its effectiveness.
- 2.3 Verify an analysis of weakness and threat to be applied to development of a strategy in conformity to risk appetite.
- 2.4 Approve an annual work plan for Risk Management and Corporate Strategy.

- 2.5 Approve a risk appetite, risk tolerance and key risk indicator of the Company.
- 2.6 Approve or express an opinion on corporate risk matrix based on COSO ERM principle.
- 2.7 Approve any revision or postpone a completion of organization risk control plan.
- 2.8 Observe and oversee corporate risk managements of the Company and its subsidiaries (Company Group) to be in conformity to each other for leading to a sustainable business operation.
- 2.9 Observe and oversee risks of corruption in conformity to good corporate governance, code of conduct and anti-corruption policy.
- 2.10 Screen and verify corporate risk to ensure the adequacy of risk management and control within the scope of risk appetite and risk tolerance, as well as that risk management process shall be consistently applied.
- 2.11 Present overall of the Company's risks, course of risk control, and corporate risk to the Board of Directors.
- 2.12 Cooperate with Audit Committee on a regular basis by exchanging knowledge and information on overall risk and internal control which affect or may affect the Company.
- 2.13 Support and promote a proper culture for risk management and internal control.
- 2.14 Perform any other tasks as assigned by the Board of Directors.
- 2.15 The Risk Management Committee has the power and authority to hire other external advisors as deemed necessary at the Company's expenses provided that an approval of the Board of Directors is required.

### 3. Composition and Qualification

- 3.1 Risk Management Committee shall be designated and appointed by Board of Directors.
- 3.2 Chairman of Risk Management Committee shall be designated and appointed by Board of Directors.
- 3.3 Board of Risk Management Committee shall consist of at least 5 members as follows:
  - 3.3.1 At least 1 Independent director or external expert as deemed proper and appointed by the Company
  - 3.3.2 At least 1 director.
  - 3.3.3 At least 1 chief executive officer.
  - 3.3.4 At least 1 managing director.
  - 3.3.5 At least 1 from Management of Company or Subsidiaries (Company Group).
- 3.4 Director and Assistant Director of Corporate Risk and Strategic Management Office shall act as the Secretary of Risk Management Committee.
- 3.5 Other persons may be summoned to participate in Risk Management Committee's meeting to explain details of his/her work at the Secretary of Risk Management Committee's discretion.
- 3.6 Member of Audit Committee shall serve for 3 years term of office, any member who resigns by rotation may be re-elected by an approval of the Board of Directors.
- 3.7 Member of Audit Committee shall be retired upon:

- 3.7.1 Termination as a director of the Company, regardless. if any director retired by rotation is re-elected. such director shall act as Audit Committee until the expiration of the previous Risk Management Committee term of office.
- 3.7.2 Retired by a resolution of the Board of Directors.
- 3.7.3 Completion of his/her term of office.
- 3.7.4 Resignation or death.
- 3.7.5 If any member of Risk Management Committee is retired from his/her office prior to completion of his/her term of office, a new member of Risk Management Committee appointed in substitution of the retired one shall serve for the remaining duration of the original term of office of the member so retired.

#### 4. Risk Management Committee's Meeting

- 4.1 Risk Management Committee's Meeting shall be arranged at least once per quarter.
- 4.2 The Secretary of Risk Management Committee shall submit the documents to be used in the meeting to all members of Risk Management Committee in advance at least 5 days before the meeting's date.
- 4.3 The agenda to be considered at the meeting shall include at least the following:
  - 4.3.1 Certify the agenda of the minutes of the previous Risk Management Committee's Meeting.
  - 4.3.2 Report the following up outcomes of the operation as proposed in the previous Risk Management Committee's Meeting.
  - 4.3.3 Report the progress of an annual plan of Risk Management and Corporate Strategy.
  - 4.3.4 Report the progress of organization risk management plan.
  - 4.3.5 Report the control of corporate risk indicator.
  - 4.3.6 Report the risk and operation plan to control significant corporate risks.
  - 4.3.7 Report the risk and risk control plan to control significant risks against the subsidiaries (Company Group).
  - 4.3.8 Report other matters relevant to risk management as assigned by the Board of Directors.

#### 5. Quorum

All Risk Management Committee's meeting shall be participated by members of Audit Committee not less than three-fourth of all existing members of Risk Management Committee appointed by the Company, to constitute a quorum. In this regard, the Secretary of Risk Management Committee is required to participate in every meeting.

In the event that Chairman of Risk Management Committee is absent or unable to perform his/her duty, then the members of Risk Management Committee attending the meeting shall elect one of the members to preside over the meeting. The decisions made by the meeting shall be based on a majority of votes. Each member of Risk Management

Committee shall have one vote except that a member having a personal interest in any matter shall have no right to vote on that particular matter. In the case of tie of votes, the presiding Chairman is entitled to the casting vote.

## 6. Report

Risk Management Committee has its direct responsibility to file the following reports on all activities undertaken to the Board of Directors for acknowledgement:

- 6.1 Operation results of risk management process by including in agenda proposed to be consider at the Risk Management Committee's meeting on a quarterly basis.
- 6.2 Other reports as assigned by the Board of Directors.

## **Remuneration Committee**

### 1. Objective

To perform a duty to fix remunerations of the Board of Directors, sub-commissions, subcommittees, the executive chairman and managing director with transparency and properness.

### 2. Composition and Qualifications of Remuneration Committee

- 2.1 Remuneration Committee shall be designated and appointed by the Board of Directors and consist of at least 3 members but not exceeding 4 members. All members shall be the Company's director, meanwhile; at least 1 member shall be an independent director. The Executive Chairman and managing director shall serve as an *ex-officio* member of Remuneration Committee. Director of Finance and Accounting Department shall act as the Secretary of Remuneration Committee. Any one member of Remuneration Committee shall be designated and appointed by a Remuneration Committee's meeting to act as a chairperson, however; such chairperson should be a non-executive director.
- 2.2 Members of Remuneration Committee, except for the Executive Chairman and managing director shall serve for 2-year term of office. Any member of Remuneration Committee, who retires by rotation, may be re-elected.
- 2.3 Members of Remuneration Committee shall be terminated upon the following events:
  - (1) Being discharged from the office of director or independent director, as the case may be.
  - (2) Being retired by a resolution of the Board of Directors.
  - (3) Retirement by rotation as specified in Clause 2.2.
- 2.4 Members of Remuneration Committee shall satisfy the qualifications and not be under a prohibition as follows:
  - (1) Having never been bankrupt.
  - (2) Having never been sentenced an imprisonment by a final verdict of imprisonment, except for any offence committed negligently or petty offence.

- (3) Having never been expelled, retired or removed from any state authority, state enterprise or public company for a charge of malfeasance.

### 3. Roles and Authorities of Remuneration Committee

- 3.1 Remuneration Committee shall fulfill its authorities with honesty, prudence for the benefits of the Company, as well as responsibilities to shareholders.
- 3.2 Remuneration Committee shall be in charge of consider and fix all remuneration, consideration, gratuity, attendance fee, pension, bonus and other benefits of the Board of Directors, Audit Committee, Nominating and Corporate Governance Committee, Risk Management Committee, Remuneration Committee, Fueling Operations Committee, the Executive Chairman, managing director, sub-commissions and other subcommittees of the Company, then propose to a Board of Directors' meeting for approval or to a General Shareholders' meeting for consideration and favorable votes as the case may be.
- 3.3 Remuneration Committee has an authority to consider and fix other remuneration and other matters as assigned by the Board of Directors.
- 3.4 Remuneration Committee has an authority to hire any professional advisor on an ad hoc basis as deemed proper at the Company's expenses, provided that the information, independence and impartiality of such advisor shall be reported to the Board of Directors and be disclosed in an annual report.

### 4. Criteria for Remuneration Fixing

- 4.1 To fix any remuneration, Remuneration Committee shall take into their consideration the knowledge, capabilities, experiences and engagement of qualified manpower.
- 4.2 Fixing any remuneration for the Board of Directors shall be carried out in line with the Company's achievements as well as in comparison to the expected benefit. provided that the more duties and responsibilities assigned to the Board of Directors, the more remuneration should be awarded as appropriate.
- 4.3 Fixing any remuneration for the Executive Chairman and managing director shall be carried out in line with the Board of Directors' s principles and policies, provided that personal attribute, for example; knowledge, capabilities, work experiences, previous achievements, visions and course of management, shall be taken into consideration.

### 5. Report of Remuneration Committee

The Remuneration Committee shall report for being approved by a Board of Directors' meeting or the General Shareholders' meeting as the case may be, the resolution of the designation of remuneration of the Board of Directors, Audit Committee, Nominating and Corporate Governance Committee, Risk Management Committee, Remuneration Committee, Fuelling Operation Subcommittee and other subcommittee which may be additionally appointed by the resolution of the Board of Directors inclusive of the executive chairman and managing director as specified in their employment agreement and other matters as assigned by the Board of Directors.

## **Nominating and Corporate Governance Committee**

### 1. Objective

To recruit the Company's directors and managing director with transparency, to seek for competent personnel, for the purposes to provide effective management and promote good corporate governance in the Company.

### 2. Composition of Nominating and Corporate Governance Committee

2.1 Nominating and Corporate Governance Committee shall be designated and appointed by the Board of Directors and shall consist of at least 3 members provided that at least 1 member shall be an independent director. Managing director shall serve as *ex officio* member of Nominating and Corporate Governance Committee.

The corporate secretary shall serve as the secretary of the Nominating and Corporate Governance Committee. In addition, the meeting resolution of Nominating and Corporate Governance Committee shall select and appoint an Independent Director to serve as the Chairman of Nominating and Corporate Governance Committee.

2.2 A Nominating and Corporate Governance Committee member has an office term of 2 years.

2.3 A Nominating and Corporate Governance Committee member shall vacate office upon:

- (1) Resignation from the Nominating and Corporate Governance Committee member position. The member who wishes to resign, he/she shall notify the Chairman of the Board of Directors his/her intention to resign, so that the Board of Directors consider to appoint other complete qualified committee member to replace him/her.
- (2) Completing a term of office as stipulated on Clause 2.2, which the Nominating and Corporate Governance Committee member who vacates office upon completing a term of office may be re-elected to resume the position.
- (3) Vacate the office of the Director. However, if the member vacates office of the Director upon the expiry of the term in office, and he/she is re-elected to be the Director, such Director shall hold the Nominating and Corporate Governance Committee member position for the remaining term of the office, if the term of the office of that Nominating and Corporate Governance Committee member stills remains.
- (4) Removal by the resolution of the Board of Directors' Meeting.
- (5) Death

If a Nominating and Corporate Governance Committee member vacates office before completing a term in office for any reasons, the re-elected Corporate Governance Committee member shall hold the position for the remaining term of office of the Nominating and Corporate Governance Committee member who vacates the office.

### 3. Authority, duties and responsibilities of the Nominating Corporate Governance Committee

A Nominating

- 3.1 The Nominating and Corporate Governance Committee shall perform their duties with impartialness and fairness and shall not have any conflict of interests while performing duties.
- 3.2 Consider the appropriateness of the number and compositions of the Board of Directors consistently and submit proposal to the meetings of the Boards of Directors and/or the meetings of the Shareholders for consideration.
- 3.3 Establish regulations and conditions for employee contract of executive in the Managing Director position by determining that the Managing Director's term of office is 4 years and fix the Director's remuneration by referring to the resolution of the Remuneration Committee's Meeting in order to be proposed to the Board of Directors meeting.
- 3.4 Consider nominating person have diverse knowledge, capabilities, experiences with qualifications, who possesses no prohibited characteristics under this rule and laws or relevant regulations for holding the Director and the Managing Director position when the position become vacant.
- 3.5 Upon completing the nomination, the Nominating and Corporate Governance Committee shall nominate the nominees to the Board of Directors' Meeting in order for the meeting to consider on the following subjects.
- (1) Consider the appointment of Director, in case that the nomination for the Director position is conducted to fill Director position that becomes vacant for any reasons other than retirement by rotation or that the nomination for the Managing Director position is conducted upon the vacancy of the Managing Director position
- (2) Consider the proposal to the shareholders' meeting for the appointment of the Director, in case where the nomination is made to replace the Director who retires by rotation which shall be in compliance with the laws and Company's Articles of Association.
- 3.6 The Nominating and Corporate Governance Committee member has authority to hire special consultant for temporary period, if deemed necessary, at the company's expense. The Nominating Corporate Governance Committee member shall report information concerning the special consultant including his/her independent condition or having no conflict of interest condition to the Board of Directors and disclose the said information in the annual report.
- 3.7 The Nominating and Corporate Governance Committee member has authority to invite the executive or relevant person to share ideas, attend the meeting or send the document deemed as relevant and necessary.
- 3.8 Perform other tasks as assigned by the Boards of Directors.

B. Corporate Governance

- 3.9 Impose the scope and the policy on good corporate governance and anti-corruption to be proposed to Board of Directors for approval.
- 3.10 Consider review and revise the policy on the good corporate governance and anti-corruption regularly at least once a year to ensure that the policies on the good corporate governance and anti-corruption and the anti-corruption policy of the company are up-to-date and in line with international standards, laws , rules, regulations, and recommendations made by the agencies overseeing corporate

governance. Moreover, if the amendments of the policy are made, they shall be submitted to the Boards of Director for consideration.

- 3.11 Oversee and ensure that the operations are conducted complying with the good corporate governance and anti-corruption policy and anti-corruption policy, as well as, provide guidance to the Directors and the executives of the company to ensure that the Directors and the executives perform their duties efficiently. And the guidance is practical and it is provided in a consistent and appropriate manner, as expected by the shareholders and the person with a personal interest in a matter.
  - 3.12 Provide recommendations to the Board of Director about the good corporate governance to ensure that the company operates in line with the principles of the Stock Exchange of Thailand, The Office of the Securities and Exchange Commission, and its operations are widely accepted internationally.
  - 3.13 To oversees Corporate Governance Committee.
4. The operations of the Nominating and Corporate Governance Committee
- 4.1 The Nominating and Corporate Governance Committee shall use one of methods or several methods as following to conduct nomination.
    - (1) Seek (searching) the person who has knowledge capacity and experience suitable for the company by either using consultant company (Professional Search Firm) or director database (Director Pool) or
    - (2) Nominate names of the Directors or shareholders within the timeframe determined by the Nominating and Corporate Governance Committee or
    - (3) Proceed with other methods as the Nominating and Corporate Governance Committee deems appropriate.
  - 4.2 The Nominating and Corporate Governance Committee shall nominate names of person who is completely qualified and suitable for the position to the Board of Directors for consideration.
  - 4.3 The Nominating and Corporate Governance Committee shall consider the appropriateness of the number and composition of the Board of Directors accordingly.
    - (1) The total number of Directors shall be not less than 11 and not more than 15 in, in accordance with the Company's Articles of Association. However, the amendment of the number of the Directors may be made as deemed appropriate to promote effective company's administration, as such amendment shall be made under the laws and Company's Articles of Association.
    - (2) At least one half of the total number of the Directors shall have residence in Thailand.
    - (3) There shall be Independent Directors in number as determined by the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand.
    - (4) The Board of Directors should comprise people with knowledge, capability experience, morality, integrity. They shall have various skills which are relevant and contribute to the company's business operation.

- (5) Shall consider the necessary skills of which the Board of Directors lack as shown on the Board Skill Matrix, to determine the qualifications of the Directors for the nomination of Director.

## 5. The Nominating and Corporate Governance Committee meeting

- 5.1 The Nominating and Corporate Governance Committee meeting shall be held at least once a year, which the meeting shall be called by the Chairman of Nominating and Corporate Governance.
- 5.2 At the Nominating and Corporate Governance Committee meeting, at least one half of the total number of the Nominating and Corporate Governance Committee members shall be present to form a quorum. In case the Chairman of Nominating and Corporate Governance committee is not present at the meeting or is not able to discharge the duty, the Nominating and Corporate Governance Committee members attending the meeting shall elect one of Nominating and Corporate Governance Committee members to preside over the meeting.
- 5.3 Decisions made by the meeting shall be based on a majority of votes.
- 5.4 Each Nominating and Corporate Governance Committee member shall have one vote except that, the Nominating and Corporate Governance Committee member having a personal interest in any matter shall have no right to vote on that particular matter. In the case of tie of votes, the presiding Chairman is entitled to the casting vote.

## 6 Qualification of the nominees

### 6.1 Personal Status

- (1) Be *sui juris* (full age) and be not over 77 years old and have good physical health.
- (2) Not be bankrupt or not be under absolute receivership by court order.
- (3) Has not been determined as incompetent person or a quasi-incompetent person, by court.
- (4) Has not been imprisoned by final sentence of imprisonment for corruption-related offence and criminal offence.
- (5) Has not been punished by being fired or dismissed from a job or civil service, or organizations, or governmental agencies on dishonest conduct in performing duties.
- (6) His/her name has not been on the list of the people whom the Stock Exchange of Thailand deems unsuitable for the executive, according to the regulations of the Stock Exchange.
- (7) Not currently be charged or prosecuted with crime related to unfair securities trading or dishonest, fraudulent, and corrupt management by relevant authorized agencies under Thai and Foreign laws on Securities and Exchange, business operation, capital, securities business, Credit Foncier, Commercial Banks, insurance, non-life insurance or on others of legal agencies on similar business practices.
- (8) Not currently be charged or prosecuted with crime by relevant authorized agencies under Thai and Foreign laws on Anti-Money Laundering.

- (9) Has not been sentenced by the court judgement or fined on the offences as stipulated in (7) and (8)
- (10) In case of holding the Board member or executive positions in any listed company ,in the past or at the present, he/she shall not perform actions considered intentionally conceal the facts on financial status or performance information of such company or of the other company that made equity public offering. He/ she shall have not provided false information as deemed important, or concealed any important facts that shall be disclosed to the public in any document or submitted to The Office of the Securities and Exchange Commission or the committee of the Office of the Securities and Exchange Commission.
- (11) In case of holding the Board member or executive positions in any company,in the past or at the present, he/she shall have not performed actions considered negligent of duty in managing and administering the company with honesty and consideration in order to save the best interest of the company, and cause the loss or cause the company or shareholder the loss of significant interest, or cause himself/herself or other person to gain significant interest.
- (12) In case of holding the Board member or executive positions in any company, he/she shall not have perform actions considered negligent of duty in ensuring that the company has not violated or disobeyed the laws, objective and Company's Articles of Association as well as resolution of the shareholder meeting.

#### 6.2 Knowledge and Competence

- (1) Possesses the leadership and vision.
- (2) Possesses knowledge, competence and experience useful for the business operations.
- (3) Possesses knowledge and understanding in relevant to good corporate governance and corporate governance.
- (4) Should have attended training courses organized by Thailand Institute of Directors (IOD) such as Directors Certification Program (DCP), Director Accreditation Program (DAP), or Audit Committee Program (ACP) or other course that is useful for the director in performing duties.

#### 6.3 Integrity

- (1) Being the faithful person and conducts business with honesty and integrity.
- (2) Understand the role and responsibility of the Director.
- (3) Be able to dedicate time to regularly attend Board of Directors meeting and have adequate time to oversee the business operations and company's operations.

#### 6.4 Conflict of Interest

- (1) Have an intention to consciously protect the company's interest and the shareholders' interest.
- (2) Not being the Director of other company that causes the conflict of interest with the company.

## 7. Specific qualifications of Independent Director

A person nominated for an Independent Director, shall not only have the qualification listed on Clause 6, but shall also have the qualifications of the Independent Director as determined by The Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and the Stock Exchange of Thailand, excluding the qualifications on number of shares held by director, which he/she shall hold not more than 0.5 % of the total voting shares of the Company, Parent Company, subsidiary company, associated company, major shareholders, or controlling people, with the number of shares held by related persons being counted.

## 8. Specific qualifications of Managing Director

The specific qualifications of Managing Directors shall be under the judgment of Nominating and Corporate Governance Committee.

## 9. The retirement age of the Director and the Managing Director

9.1 The Director shall retire from office on the last day of his/her birth month when completing the 77th anniversary of age.

9.2 The Managing Director shall retire from office on the last day of his/her birth month when completing the 65th anniversary of age.

## **Executive Committee**

### 1. Objective

By virtue of the Company's Articles of Association of Bangkok Aviation Fuel Services Public Company Limited Clause 2 paragraph 2, Executive Committee has appointed Executive Committee to ensure that the administration of corporate governance, suggestion, major problem solutions, performance assessment of the company and its subsidiary are effective and successful, and are conducted in the same direction, and carried out to meet the objective of the strategic plan, as well as to consider and prioritize the subjects to be proposed to Executive Committee for the shareholders' best interest.

### 2. The appointment, composition and qualifications of Executive Committee.

#### 2.1 Composition of Executive Committee

- (1) One representative appointed from the Board of Directors (not being an Independent Director).
- (2) The Managing Director shall serve as *ex officio* the Executive Director.
- (3) Finance and Accounting Director shall serve as *ex officio* the Executive Director.
- (4) Managing Directors of company's subsidiary shall serve as *ex officio* the Executive Director.

#### 2.2 Office term and vacation of the office of Executive Committee

- (1) The Executive Director has an office term of three years since the date of appointment, such Executive Director may be re-elected to resume the Executive Director position.
- (2) While holding the office of Executive Director upon the term in office, in the event that the Executive Director representing the Board of Director vacate office before the expiry of his/her term in office with any reasons, the Board of Director shall consider the appointment of the Executive Director to fill the vacant position. And the newly appointed Executive Director shall hold office only for the remaining term in office of the Executive Director whom he/she replaces, except that the remaining term in office of the Executive Director is no more than 90 days, the Board of Directors may consider not to appoint the Executive Director to fill the vacant position.
- (3) While holding the office of Executive Director upon the term in office, if the Executive Director as stated on (2)(3)(4) vacates the office, the person who replaced the said person shall hold office of Executive Director only for the remaining term in office of the Executive Director whom he/she replaces.
- (4) The Executive Director shall vacate office upon:
  - Completing of office term of Executive Director as stipulated on Clause 2.2(1)
  - When vacate office of the Executive Director or Managing Director of the company/ its subsidiary or the Executive of the company.
  - Removal by a resolution of the Board of Directors meeting.
  - Death or resignation

### 3. Authority and Responsibilities of Executive Committee

- 3.1 Impose policy, consider and screen the budget of the company and its subsidiary before proposing to Board of Director of individual company.
- 3.2 Supervise and monitor the progress and evaluate the performance of the company and its subsidiary as directed by Board of Directors.
- 3.3 Have authority to request for the document and any relevant person to give clarification in order to be used as supporting data for consideration on the subject relevant to authority and responsibilities.
- 3.4 Appoint the subcommittee and working group as Executive Committee deem appropriate.
- 3.5 Consider the appointment of the Executives on the level of Deputy Director and Director of the company or equivalent as nominated by Managing Director.
- 3.6 Appoint the company's employees or the suitable person who is the employee of the subsidiary company, associated company, and the company in which the Bangkok Aviation Fuel Services Public Company Limited (BAFS) is holding shares to be the representative of the company to hold the committee member, executive, and staff of the subsidiary company, associated company, and the company in which BAFS is holding shares, as such includes the removal of the said position. Appoint the employee of the subsidiary company, associated company or the company in which BAFS is holding shares to serve as

representative of individual company to hold executive and staff of the company, as such include the removal of the said positions.

3.7 Operate as directed by the Board of Directors.

#### 4. Authority and Responsibilities of the Chairman of the Executive Committee

4.1 Have approval authority on Budget and Finance affairs, Human Resources affairs conforming to the Manual of Authorities determined by the Board of Directors.

4.2 Have authority to enter into any transaction in compliance with the policy and Manual of Authorities.

4.3 Consider and screen the expenditure for any operations that goes beyond the authority or the payment approval authority of the Managing Director and the expenditure that goes beyond the payment approval authority of the Chairman of the Executive Committee shall be proposed to the Board of Directors for consideration and approval.

4.4 Screen strategic plan and risk management of different projects relevant to the investment of company and subsidiary company.

4.5 Give recommendations in resolving the major problems in connection with the general management and human resources management of the company and subsidiary company.

4.6 Consider the investment plan in different businesses of Company and subsidiary company to be submitted to the Executive Committee and the Board of Directors for consideration and approval.

4.7 The Executive Chairman shall act for the Managing Director in the event that the position of Managing Director becomes vacant and the nomination of the new Managing Director has not be made upon the following reasons:

- (1) Retirement
- (2) Vacate the office of the Managing Director position conforming the employee contract for the executive holding Managing Director positions
- (3) Removal by a resolution of the Board of Directors meeting
- (4) Lack of qualifications and possesses prohibited characteristics
- (5) Removal by the court order
- (6) Vacate office of the Director
- (7) Death or resignation

4.8 Operated as directed by the resolution of the Board of Directors Meeting

#### 5. Meeting of the Executive Committee

5.1 The Executive Committee shall hold or call the meeting as deem appropriate at least one time a month and the Executive Directors have duty to regularly attend the meeting.

5.2 At meeting of the Executive Committee at least one half of the total number of directors shall be present to form a quorum.

5.3 In case where the Executive Chairman is not present at the meeting or is not able to perform the duty, the Directors present at the meeting shall elect one of the directors to preside over the meeting.

5.4 Decisions at the meeting shall be made by majority vote, of which the Director with a personal interest in a matter is not entitled to vote on that matter. In case of a tie vote, the Chair shall have a casting vote.

## 6. Report of the Executive Committee

The Executive Committee has an obligation to the Board of Directors which the Executive Committee shall deliver report on any activities to Board of Directors for their information.

## **Management**

### 1. Management's comprises

- (1) Managing Director
- (2) The Director of Department or equivalent which the Managing Director shall serve as Chairman of the meeting of the Executive and the Assistant Director, Office of Managing Director shall serve as the secretary of Management meeting.

### 2. Authority and Responsibilities of Management

- 2.1 Consider to propose the long-ranged policy, objective for the management and company's operations to the Board of Directors.
- 2.2 Develop the strategic plan and outline the business operations for the Company.
- 2.3 Consider and review and propose the budget for the business operations for the Company to the Boards of Directors.
- 2.4 Monitor, check and oversee the Company's operations and other agencies in different period of time to ensure that the business plan is updated in response to the situation.
- 2.5 Promote and consider the approval on the improvement and development of working system, as well as the guideline for the operations in business management for the best result.
- 2.6 Evaluate the Company's business operating results by comparing against strategic plan and objective and make the analytical conclusion with analysis used for consideration on the recommendations for policy and objectives of the company.

### 3. Management Meeting

The Management Meeting shall be held every month at least one time a month

### 4. Supporting document and the minutes of a Management Meeting

- 4.1 Secretary of the meeting shall send meeting invitation letter with agenda items and prepare meeting invitation letter with supporting documents and distribute them to management at least three days prior to the meeting date.

4.2 The secretary of the meeting shall take and prepare the draft minutes of a meeting to be submitted to executive for their consideration before publishing, within 10 days after the meeting date.

5. Report of Management

5.1 The Management shall deliver report to the relevant Board of Directors/ Board of subcommittee immediately about serious corruption incidents and allegedly serious corruption incidents that are deemed suspicious, law violations or other irregularities that may have a critical impact on the reputation and financial status of the company.

5.2 The Management shall deliver report on serious shortcomings, solutions for problems, the progress of the operations to the relevant meetings of Board of Directors, subcommittee within an appropriate timeframe.

The said guideline on delivering report of the executive shall be regularly reviewed to ensure that it is suitable.

**Fuelling Operation Subcommittee**

1. Objective

Perform duties in operation and management of aviation refueling services as stipulated on the regulations of the Fuelling Operation Subcommittee.

2. Composition and qualification of the Fuelling Operation Subcommittee

2.1 The Managing Director shall appoint the person whom is nominated according to (1) to (3) to serve as members of the Fuelling Operation Subcommittee. The Fuelling Operation subcommittee composes of not more than 11 members as follows:

- (1) One employee who is in the level of the Executive, as nominated by Managing Director
- (2) One representative from Thai Airways International Public Company Limited
- (3) One representative of individual company which is the company's shareholder and the user of Aviation refueling service, excluding Thai Airways International Public Company Limited, totaling not more than 9 people. The Fuelling Operation Subcommittee shall be the person with considerable knowledge, skills and experience in the Aviation refueling service.

2.2 The Fuelling Operation Subcommittee has an office term of two years. The Board of Energy Business Subcommittee member who vacates office upon the expiry office the term in office may be re-elected to resume the position.

2.3 In case that Fuelling Operation Subcommittee becomes vacant, due to other reasons other than the expiry of the term in office, juristic person shall nominate the name of the person as stipulated on Clause 2.1(1) to (3), who are the persons nominating the name for Fuelling Operation Subcommittee member that becomes vacant, nominates the name of the representative of such juristic person to the Managing Director in order to be appointed to replace Fuelling Operation Subcommittee member position that becomes vacant. The

representative who fills the position of Fuelling Operation subcommittee shall hold for the remaining term of the office of Fuelling Operation subcommittee whom he/she replaces.

2.4 The Fuelling Operation Subcommittee shall elect and appoint one Fuelling Operation Subcommittee member to hold the chairman position with office term of two years. The election and appointment of the chairman shall be from the Fuelling Operation Subcommittee as stipulated on Clause 2.1 (2) to (3).

2.5 The Fuelling Operation Subcommittee has a right to receive remuneration from the Company as determined by the Managing Director, which may be determined in the definite amount, to impose any rule regarding remuneration, and such rule can be determined periodically or it may be determined to be effective permanently until the Managing Director decides to amend such rule.

### 3. Authority and responsibility of the Fuelling Operation Subcommittee

3.1 Give advice and recommendation to the executive of the company or the Board of Directors on technical subject in relevant to the operations and management of aviation refueling system, as such to ensure that the operation and management of aviation refueling system is conducted in safety manner upon the life, body and personal property concern, and/or to ensure that the operation and management of aviation refueling system is carried out effectively and meets the standards.

3.2 Give advice in preparing BAFS Aviation Quality Control and Operation Manual, Inspection Procedures, and in correcting and improving the said manual and procedures, as well as in organizing the technical trainings in solving problem and engineering from the user or outsider.

3.3 Consider in giving the comments on the request or suggestions in connection with the operation and management of aviation refueling system as proposed by the company or the use of the aviation refueling service.

3.4 Consider the qualifications of the applicant on the user of the aviation refueling service conforming terms and regulation on the new user of aviation refueling service.

3.5 Review and determine the financial source of the user of aviation refueling service.

### 4. Meeting of the Fuelling Operation Subcommittee

4.1 Hold the meeting of the Fuelling Operation Subcommittee at least every three months.

4.2 At the meeting of the Fuelling Operation Subcommittee, at least one half of the total number of subcommittee or his/her proxy shall be present to form a quorum.

4.3 At the meeting of the Fuelling Operation Subcommittee, the subcommittee may appoint other person to be his/her proxy to attend the meeting and vote on his/her behalf. The proxy letter shall be provided to the Chairman of the Fuelling Operation Subcommittee before his/her proxy attends the meeting.

4.4 Decisions made by the Fuelling Operation Subcommittee meeting shall require a majority of votes of the subcommittee attending the meeting. Each the Fuelling

Operation Subcommittee member including the chairman shall have one vote, In the case of tie of votes, the presiding Chairman is not entitled to the casting vote.

## 5. Report of Fuelling Operation Subcommittee

The Fuelling Operation subcommittee shall report all matters to the Fuelling Operation subcommittee that they have considered and made decision upon, to the Managing Director for information, approval or for proposing to Board of Directors for information, or approval, as the case may be. Board of Directors has a right to cancel, change their conclusions or any decisions of the Fuelling Operation Energy Business Subcommittees.

## **Corporate Sustainability Committee**

### 1. Objective

There are objectives of the Corporate Sustainability Committee as follows

- 1.1 Stipulate the sustainability policy framework and strategies of the Company and subsidiaries in accordance with corporate governance, the best business commitment emphasizing good quality of service by the maximum safety standard following the international standard to deliver the value up to the stakeholders' expectation;
- 1.2 Oversee and monitor business conduct in harmony with the Corporate Governance Code;
- 1.3 Oversee suitably adapting sustainability policy to take individual company's context into consideration of stakeholders for the key operation;
- 1.4 Oversee and implement operation in harmony with and in the same direction for creating the sustainable growth of the Company Group;
- 1.5 To oversee and monitor the preparation of reporting and publicizing completely transparent information to be in compliance with international standard.

### 2. Authority

- 2.1 Impose the scope of sustainability policy of the Company and subsidiaries and the relevant management system in order to be acceptable for community and society;
- 2.2 Responsibly stipulate the extent of preparing sustainability report;
- 2.3 Oversee its business conduct corresponding with Corporate Governance Code of the Securities and Exchange Commission;
- 2.4 Appoint the Sustainability Working Group in order to support the Corporate Sustainability Committee's working as appropriate;
- 2.5 Oversee the appointed Working Group's operation to perform coherently in the same direction

### 3. Composition and Qualifications

- 3.1 The Corporate Sustainability Committee is appointed by the Board of Directors.
- 3.2 The chairman of Corporate Sustainability Committee is appointed by The Company's Board of Directors.

- 3.3 The Corporate Sustainability Committee consists of the following sustainability directors.
  - 3.3.1 Executive Chairman
  - 3.3.2 Managing Director
  - 3.3.3 Managing Director or executive and subsidiaries (the Company Group), each individual company of 1 person
- 3.4 Director or assistant director of Sustainable Development and Corporate Communication Office holds his/her office as the Corporate Sustainability Committee secretary;
- 3.5 Other attendees may be invited to attend the meeting in order to clarify details of the relevant job according to the Corporate Sustainability Committee secretary's discretion.
- 3.6 Director of Corporate Sustainability Committee have the number of term of office for 3 years, the director who has been in his/her office until expiring term may be nominated and re-elected by an approval of the Board of Directors.
- 3.7 The Corporate Sustainability Committee shall vacate the office in the following cases
  - 3.7.1 Retiring from office as director of the Company, however, the director who retires by rotation shall be eligible for re-election, he can continue to hold office as the director of Corporate Sustainability Committee until his/her expiration of the remaining term of the director of Corporate Sustainability Committee;
  - 3.7.2 The Board of Directors votes to remove any director;
  - 3.7.3 Upon his/her expiration of term of office;
  - 3.7.4 Resignation or death;
  - 3.7.5 If the director of Corporate Sustainability Committee retires before his/her expiration of term, the director of Corporate Sustainability Committee who is reappointed, shall take up the new position for the remaining time of the director of Corporate Sustainability Committee whom he replaces.

#### 4. The Meeting

- 4.1 The Corporate Sustainability Committee shall hold Meeting at least once in a quarter.
- 4.2 The secretary shall deliver the supporting documents of the Meeting to the Members of Corporate Sustainability Committee at least 5 working days before meeting.
- 4.3 The Meeting Agenda shall include at least
  - 4.3.1 Any approval of the previous meeting's Agenda of Corporate Sustainability Committee;
  - 4.3.2 Report of monitoring of performance according to the previous Meeting's opinion;
  - 4.3.3 Report on the progress of yearly sustainability strategy;
  - 4.3.4 Report of the other issues relating to sustainability as assigned by the Board of Directors

## 5. Quorum

At the Corporate Sustainability Committee's Meeting, there shall be the directors present of not less than third-fourth of a total number of the director of Corporate Sustainability Committee appointed by the Board of Directors, in order to form a quorum. Moreover, the Secretary of Corporate Sustainability Committee shall attend the meeting every time. In the event that Chairman of Corporate Sustainability Committee is absent or unable to discharge his/her duty, the sustainability directors attending the meeting shall elect one of the directors of Corporate Sustainability Committee to preside over the meeting. Decisions made by the meeting shall be based on a majority of votes. Each director shall have one vote except that a director having a personal interest in any matter shall have no right to vote on that particular matter. In the case of tie of votes, the presiding Chairman is entitled to the casting vote.

## 6. Reporting

The Corporate Sustainability Committee has been responsible for the Board of Directors, whereby the Corporate Sustainability Committee shall send a report of activities to the Board of Directors for acknowledgment as follows:

- 6.1 A Performance Summary which shall be prepared in form of the Meeting's Agenda and proposed to the Board of Directors twice a year.
- 6.2 Other reports as assigned by the Board of Directors

### **Clause 1.2 Define Objectives that Promote Sustainable Value Creation**

The Company stipulates the main objectives and goals of business for the sustainability, which creating the value to Business, customers, stakeholders and overall society. In addition, the Company oversees its objectives goals, strategic plan and innovation and technology to be used appropriately and safely.

Moreover, the Board of Directors has appointed the Corporate Sustainability Committee for performing their duties to supervise the Company and subsidiaries complying with sustainability policy and the relevant management system acceptable for community and society.

### **Clause 1.3 Strengthen Board Effectiveness**

1. The Company determines criteria for reviewing the Board of Directors structure, composition size as well as appropriate and crucial proportion of independent director for leading the organization to the objectives and main goals as specified;
2. The Company determines criteria for considering appropriate recruitment of the Chairman of the Board of Directors and composition as well as the directors' operation to support the discretion of independent decision.
3. The Company determines the directors' nominating and recruiting procedure which is transparent and clear in order to get the directors having their qualifications in line with factor as specified.

4. Before The Company provides remuneration of the Board of Directors for the shareholders' approval, the Remuneration Committee have to consider the structure and appropriate remuneration rate to be appropriate for responsibilities and has motivation for leading the organization towards its goals in short and long term.
5. The Company determines criteria to all directors to be responsible for performing his/her duty and allocating sufficient time.
6. The Company determines criteria with framework and mechanisms to regulate policies and business operation of the Company and subsidiaries at the appropriate level to each business and the correct and identical understanding.
7. The Company arranges assessment of the Board of Directors, subcommittee and individual director on a yearly basis, which the assessment results shall be used for enhancing to perform their duties.
8. The Company determines criteria of giving understanding to the Board of Directors about roles and duties of its nature of business, the laws relating to business operation and supporting all directors of receiving skills and knowledge reinforcement for performing their duties always.
9. The Company establishes supporting process for the Board of Directors to work in line with orderly. Directors are able to access the necessary information, which appoints a Corporate Secretary with knowledge, suitable qualifications and the disclosed qualifications and experience in the annual report and website of the Company.

#### **Clause 1.4 Ensure Effective CEO and People Management**

The Company determines criteria about nomination and development of managing director and senior executive to have knowledge, skill, experience and necessary qualification to drive the organization toward its goals and determine the remuneration structure and suitable assessment. In addition, the Company establishes a management and personal development process to have the suitable number, knowledge, skill, experience and motivation.

#### **Clause 1.5 Nurture Innovation and Responsible Business**

1. The Company has placed the importance and supported innovation causing a value together with creating benefits to the stakeholders and responsibilities for society and environment. The Company determines the Board of Directors to oversee and ensure that the management shall implement operational plan conforming to objectives, goals and strategies as well as allocate resources efficiently and effectively with awareness of impact and development of value chain resource in order to achieve objectives, goals sustainably.
2. Business Operation with Responsibility
  - 2.1 Treatment of all stakeholder groups including shareholders, customer, trade partners or suppliers/distributors or creditors/guarantors (business partners), employees, society and environment, regulators and competitors are as follows:
    - 2.1.1 Shareholders: The Company performs its duties to shareholders with honesty and fairness, conducts business for creating prosperity, stability, returns to shareholders constantly, discloses information to shareholders equally, regularly and completely, gives shareholders opportunities to

- express their opinions, suggestions, and proposes an Agenda or a director nominee in the shareholders' meeting.
- 2.1.2 Customer: The Company imposes a policy and practice guidelines for treatment of customers. The Company cares and is responsible for its customers by observing the contracts entered into with customers, treating all customers equally and fairly, focusing on enhancing customer satisfaction and confidence in quality services as well as keeping customers' confidential information.
- 2.1.3 Trade Partners or Suppliers/ Distributors or Creditors/ Guarantors ( Business Partners) : The Company imposes a policy and practice guidelines for treatment of business partners by determining clear and concrete nominating procedures of trade partners. The Company's trade partners shall possess required qualifications and be able to comply with procedures or process as specified. In case of new trade partner nominating, the Board of Directors' approval is required. The Company complies with the contracts made with all trade partners or suppliers/ distributors equally and justly based on mutual fair remuneration. Moreover, the Company complies with the contracts, agreements or conditions to creditors /guarantors equally, strictly and fairly, especially guarantee conditions, capital management and debt payment, and does not solicit, accept or give any unlawful advantages to trade partners, suppliers/distributors, creditors/guarantors.
- 2.1.4 Employees: The Company realizes that all its employees are Important to business operation. The Company abides by laws and the relevant standards treatment for employees fairly. The Company respects human rights and gives a priority to potential development of employee with ethics, benefits and appropriate welfare as well as promotes the employees' participation;
- 2.1.5 Social Community and Environment: The Company is aware of its duties and responsibilities for society, community and environment in accordance with sustainability framework to encourage surrounding society, overall society and activities for community and society, which are divided into operation for encouraging in youth's education, promoting religion and culture of the community, connecting and promoting the community to have a well-being and any agencies to devote themselves for public interest. Moreover, the Company shall respond immediately and efficiently to event with impact on society, community and environment due to the Company's operation and fully cooperate with government officer and the relevant agencies.
- 2.1.6 Regulators: The Company complies with laws, regulation and principles relating to business operation, conducts its business in accordance with the Corporate Governance Code, counters all types of bribery and corruption and promotes human rights protection.
- 2.1.7 Competitors: The Company imposes a policy and practice guidelines for treatment of its competitors. The Company operates its business in accordance with the international best practices and complies with trade-related laws, rules and regulations.

## 2.2 Company Management System

The Company operates business based on management system of occupational health, safety measure, quality management system, ongoing business management system, by giving the great priority of safety, occupational health, security and environment in order to use as the principle of operations on quality system. Moreover, the Company provides aircraft refueling service with awareness of quality, safety and environment to create a customer satisfaction, and also imposes quality policy in order to use as the principles of operation on ongoing business management system. In addition, the Company has focused on ongoing service, the proper management in crisis, by imposing ongoing business management policy in order to use as the principles of operation.

## 2.3 The Environment Protection and Efficient Utilization of Resource

The Company promotes efficient utilization of resource in all business process related to business operation in order to maximize utilization with awareness of impact on environment, impact monitoring and assessment of such impact and imposes measure to protect and relieve potential impact systematically. In addition, the Company imposes the energy conservation policy and sets up the Green Committee in order to implement energy management corresponding with the energy conservation policy, and also impose the policy on environment and climate change in order to announce its commitment to environmental protection. The Company and Subsidiaries are determined to protect the environment throughout business operation process and to protect potentially environmental impact as well as to create conscious of saving environment for employees.

## 2.4 Respect for Human Rights

The Company imposes a policy and practice guidelines for avoiding human rights violations by requiring all directors, executives and employees of the Company to comply with the Code of Conduct on human rights.

2.4.1 Uphold democracy and encourage its employees to exercise their voting rights granted under the constitution.

2.4.2 Ensure that employees are treated equally and with dignity and respect, regardless of physical or mental similarities or differences, race, nationality, religion, gender, age, education, political opinions or any other matters.

2.4.3 Support and respect human rights protection by regularly monitoring and ensuring that the Company avoids human rights violations, for example, no support of forced labor as well as child labor.

2.4.4 Monitor compliance with regulations on human rights within the Company and encourage compliance with the human rights principles according to international standards.

## 2.5 Intellectual Property or Copyright

The Company imposes a policy and practices guidelines to prohibit intellectual property or copyright infringement whereby the Company directors, executives

and employees are required to comply with Code of Conduct regarding intellectual property or copyright as follows:

- 2.5.1 Protect the Company's intellectual property and avoid others' intellectual property infringement;
  - 2.5.2 Comply with laws, regulations and contractual obligations regarding rights of others in intellectual property as well as patent, copyright, trade secret and other proprietary information
  - 2.5.3 Avoid abuse or misuse of others' intellectual property
  - 2.5.4 In case where any copyrighted work or intellectual property derives from its employee's performance, such copyright or intellectual property shall belong to the Company
3. The Company imposes a policy on information technology so that it has governance framework, information technology management in organization level corresponding with business needs and ensures information technology to be used for supporting and developing business operation and the risk management as well as achievement of its objective and main goals. In this connection, the resource utilization and risk management shall be appropriate corresponding with the principles of good corporate governance.

#### **Clause 1.6 Strengthen Effective Risk Management and Internal Control**

1. The Company establishes the risk management system and internal control to achieve objectives effectively and to comply with laws and the relevant standards, by audit committee who can perform his/her duty efficiently and independently together with risk management committee.
2. The Company stipulates preventive measures against use of inside Information and conflict of Interest that may occur between the Company and the management, the Board of Directors or shareholders, as well as to prevent misuse of the Company's assets, information, opportunities and transactions entered into with the Company's related persons in the improper manners as follows:
  - 2.1 The Company keeps the Company's inside information confidential and Imposes protection measures in case where directors and executives use the inside information for their own benefits or others improperly which are taking advantage of other shareholders including internal information used for security trading, disclosure of inside information with person related to directors and executives, causing damage to collective shareholders etc. The protection of interests and confidentiality is shown in the Company's policy manual and Articles of Association ;Meanwhile, securities trading , use of inside information, conflict of interest and breach penalties are shown in the Code of Conduct, and notifying executive directors and employees to acknowledge such regulations.
  - 2.2 The Company prohibits its directors, executives and employees to buy or sell its securities at least 30 days prior to the announcement of each quarterly financial statements and 1 day after the announcement of such information. For securities trading and futures contract, the Company notifies its directors and executives to report changes of their securities holding to the Office of the Securities and Exchange Commission (SEC) in pursuant to Section 59 of the Securities and

Exchange Act B.E. 2535 (1992). Moreover, the directors and executives' securities holding is added as an agenda in every Board of Directors Meeting, the above-mentioned details of securities holding and futures contracts shall also be disclosed in the Annual Report.

- 2.3 With regard to securities trading of employees who work closely with its information, the Company stipulates that they shall report changes of their securities holding within 3 working days from the date of transaction. This matter is also added as an agenda in each monthly management meeting.
  - 2.4 The Company stipulates criteria for its directors and executives to report their own and related persons' interests where the Board of Directors and the executives shall disclose the information of their own and related person, such guideline shall be consistent with nature of business, the relevant laws and regulations. In addition, directors and executives shall report every change of their interests to the Company. The Corporate Secretary is in charge for following up such information.
  - 2.5 The Board of Directors has established guidelines to prevent its interested directors or executives to take part in decision-making process of transactions between the Company and stakeholders. Prior to the Board of Directors Meeting, the Chairman of the Board shall ask the directors having interests in those particular matters to leave the meeting room. Those directors are not entitled to vote on such agenda.
  - 2.6 The Company's shareholding structure is not complicated whereby almost all connected transactions are fairly conducted based on market prices and normal business transactions.
  - 2.7 The Company adheres to laws and regulations of the SET and the SEC such as criteria for entering into a connected transaction and acquisition or disposal of assets.
3. The Company shall determine the policy and guidelines on anti-corruption clearly and communication of all organizational level and with the third persons to result in the implementation and to have the mechanism of complaints and procedure in case of providing a clue compliant.

#### **Clause 1.7 Ensure Disclosure and Financial Integrity**

1. The Company prepares the financial report and important information disclosures correctly, adequately, timely in line with criterions, standards and practice guidelines related, as well as establishing the investor relations division to performing the duties on communication with shareholders and other stakeholders as appropriate, equitable and in time by implementing as follows:
  - 1.1 The Company's Information Disclosure  
The Company discloses important information in its Annual Report (Form56-1), Annual Report (Form56-2) and via the Company's website in Thai and English language according to guidelines as determined by regulators. In addition, the Company updates information in its website regularly.
  - 1.2 Preparation of Financial Report

The Board of Directors appoints the Audit Committee to review and ensure that the Company prepares financial reports and performance report which are accurate, complete and enough. The Board of Directors also provides a report on the Board of Director's responsibilities for preparation of the financial statements, which includes important matters in accordance with the Code of Best Practice of Directors of Listed companies recommended by the Stock Exchange of Thailand (SET).

### 1.3 Channels of Information Disclosure

1.3.1 The Company recognizes the importance and promotes the usage of information technology in disclosing both financial and non-financial information which shall be done in a correct, complete, timely and transparent manner via the following channels including the Company's website, SET's Information dissemination system and Securities and Exchange Commission (SEC)'s website, Opportunity Day, Press release, Company Site Visit, Analyst Meeting and document mailed to Shareholders etc.

1.3.2 The Company discloses its information in compliance with the regulations of the SET and the SEC and sets up a Regulatory Compliance Division to proceed in this matter.

1.3.3 The Investor Relations Division is set up to be a coordinator between investors, shareholders, analysts, other relevant organization giving information, implementation and investment of The Company by contact channels conveniently, quickly and accessibly.

1.4 The Company imposes a communication policy and discloses information in order that the communication and information disclosure to the stakeholders are equal in line with the principles of the Corporate Governance Code, criteria and regulations on disclosure of information of the Stock Exchange of Thailand and the Securities and Exchange Commission.

2. The Risk Management Committee shall monitor the adequacy of financial liquidity, competency on debt payment and risk assessment about status and tendency for financial problem of the Company as well as to propose the problem-solving plan under consideration for the stakeholders' right.
3. The Company prepares the sustainability report, which is in accordance with reporting framework of GRI (Global Reporting Initiative).

### **Clause 1.8 Ensure Engagement and Communication with Shareholders**

The Company encourages the shareholders' participation in the decision-making on the significant matter of the Company and respects the rights of all groups of Shareholders as well as to take action on the day of the Shareholders' Meeting properly, transparently, effectively, as follows

#### 1. Protection of Shareholders' Rights

1.1 The Company places priority on protection of shareholder's rights and promotes their exercise of fundamental rights such as rights to profit sharing, rights to receive adequate news and information, voting rights in the shareholders meeting to appoint or to remove a director, rights to auditor and rights to consider other matters which may affect the Company, including dividend allocation,

amendment of Articles and Memorandum of Association and reduction or increase of capital.

1.2 The Company takes into consideration the rights of shareholders much more than the fundamental rights as stipulated by laws, for example, the Company provides important and update information via its website, prepares a Management Discussion and Analysis (MD&A) to present its operating results on a quarterly basis and disseminates news via the Company's Newsletter.

1.3 The Company's shareholding structure comprises so many minority shareholders that checks and balances can be created between minority and majority shareholders, which do not allow any person or any group to control voting rights or the Company, thus resulting in good corporate governance at the shareholders level with neither cross-shareholding among companies in the Company Group nor creating a pyramid shareholding structure.

## 2. Annual General Meeting of Shareholders

2.1 The Company holds an Annual General Meeting of Shareholders (AGM) once a year within 4 months from the last day of the Company's fiscal year, the Chairman of the Board of Directors, Chairmen of all subcommittees, the managing director, directors, executives, auditor and legal advisor to answer questions raised in the meeting.

2.2 The Company hired person to be independent, had shareholder representatives inspect vote counting in the AGM and disclose results in the AGM minutes.

## 3. Delivery of Meeting Invitation Letter in Advance

3.1 The Company appoints Thailand Securities Depository Co., Ltd. which is its securities registrar to send the meeting invitation letter to its shareholders 21 days prior to the meeting. Moreover, the Company gives shareholders an opportunity to study details of meeting agendas and supporting information in advance, the Company publicizes similar information being sent by post to the shareholders via its website for at least 30 days prior to the meeting date. In addition, the meeting invitation letter is advertised in a daily newspapers for 3 consecutive days with at least 3 days prior to the meeting date.

3.2 The meeting invitation letter includes complete and adequate details such as date, time, venue, and shareholders meeting agenda by stating explicitly whether which agenda item is for acknowledgement or consideration. Moreover, supporting documents for each agenda item include objectives and reasons together with the Board of Directors' opinions, regulations relating to AGM, a map of meeting venue, details of documents that the shareholders shall present on the meeting date and meeting procedures. The Company also prepares all relevant documents in English to protect foreign shareholders' interests and for their convenience on communication;

3.3 The Company respects shareholders' rights, promotes the exercise of shareholder's rights and avoids violations or deprivations of rights by presenting important matters to shareholders for their approval as well as providing complete information as stipulated by laws, SET regulations and the Company's Articles of Association.

3.4 Each important agenda item is clearly specified in the meeting invitation letter to be proposed to the shareholders for approval every year.

#### 4. Facilitation Provided to Shareholders

4.1 The Company imposes a policy to facilitate and encourage shareholders, institutional investors and majority and minority shareholders to attend the meeting.

4.2 The Company gives shareholders an opportunity to submit their queries regarding the meeting agenda to the Board of Directors prior to the meeting date via the Corporate Secretary, which is notified in the meeting invitation letter made available on its website.

4.3 The Company holds its Annual General Meeting of Shareholders at a convenient place for shareholders to attend the meeting. The Company also facilitates all shareholders equally by having sufficient staff in place to take care of and to welcome them.

4.4 The Company allows 2 hours prior to commencement of the meeting to the shareholders for their meeting registration. It facilitates all shareholders to attend the meeting. In case of late arrival, the shareholders' rights to attend the meeting are not limited.

4.5 The Company uses a barcode system to display details of each shareholder by having them printed on shareholder meeting registration forms to facilitate shareholders with convenience, prompt, and accurate meeting registration, vote counting and announcement of voting results.

4.6 The Company grants the shareholders, who attend the meeting after the commencement of the meeting, to exercise their voting rights on the agenda which is under consideration and has not yet been resolved.

#### 5. Shareholders Meeting Procedures

5.1 Prior to the commencement of the meeting, the shareholders shall introduce the Committee, executive and explain the meeting regulations.

5.2 The Company shall allocate sufficient time and give shareholders equal opportunities to express opinions and raise questions in the meeting.

5.3 The Company shall conduct the shareholders meeting according to the sequence of agenda items notified in the meeting invitation letter.

5.4 The Company shall provide ballots when voting for every agenda for transparency and verifiability of voting result.

#### 6. Procedures after the Shareholders Meeting

6.1 The Company shall disclose shareholders meeting resolutions and voting results to publicize them to the SET and on its website before 09.00 am., on the following day after the shareholders' meeting date.

6.2 In accordance with the resolution of the shareholders meeting regarding dividend payment, the Company shall coordinate with Thailand Securities Depository Co., Ltd. to ensure that the shareholders completely receive correct amounts of dividends.

- 6.3 The Company shall completely and accurately prepare the meeting minutes for shareholders' inspection, which record names and positions of attending directors, voting and vote counting methods, shareholders' opinions, clarifications of directors and executives and meeting resolutions with clearly separated votes for approval, disapproval or abstention. The meeting minutes shall be submitted to the SET within 14 days after the AGM date and publicized on the Company's website.

## **Section 2 Code of Conduct**

### **Principle**

The Company has provided "Code of Conduct" for directors, executive and employees of the Company and upheld as guidelines for mission achievement of business operation, which has stipulated in regard to business ethics for stakeholders, ethics for the Company's directors, ethics for employees, compliance monitoring and penalties.

Code of Conduct is a discipline which the directors and employees have to uphold and comply with strictly and violation and non-compliance employees shall be considered for disciplinary action in accordance with the Company's policy handbook and Articles of Association for employees regarding discipline and disciplinary action.

In addition, its subsidiaries have applied Code of Conduct as the rule of practice of the directors, executive and its employees as appropriate for context of the organization and nature of business.

## **Section 3 Supplier Code of Conduct**

### **Principle**

The Company has intention of promote and encourage supplier's business operation with fairness and good corporate governance. However, the Supplier Code of Conduct shall be the practice guideline being in harmony with the Company's Code of Conduct. The Company imposes "Supplier Code of Conduct" to standardize and give a guideline for mutual conduct business between the Company and Suppliers.

## **Section 4 Anti-Corruption Measure**

### **Principle**

The Company is determined to prevent and to counter corruption in all types. In addition, as the business operation may incur the corruption risk, accordingly, it should be carefully considered and operated. In this connection, the Company has imposed "Anti-Corruption Policy" in writing, where directors and employees of the Company and its subsidiaries shall comply with Anti-Corruption Policy and they shall not involve in any corruption, whether directly or indirectly, for the benefits of the Company, for personal benefit, for benefit of friends, acquaintance. There is also communicating of Anti-Corruption Policy to the Company's associated companies.

## **Compliances**

### **Charitable Donation and Social Activity Support**

- To ensure that the donation for charitable purpose and social activity support are not excuses for bribery, their objectives shall be explicit and can be verified. Meanwhile, they shall be done on behalf of the Company only.
- Any bribes shall be neither accepted nor paid. Also, any illegal transaction of all types shall not be conducted, whether directly or indirectly, with public officials, other people or other agencies in exchange for favourable practices or mutual benefits related to the Company's operation.
- In case that a donation or support recipient is a government agency, state enterprise, foundation, charitable organization, temple, clinic or social benefit organization, such recipient shall provide a certificate or reliable and verifiable documents.
- Charitable Donation and Social Activity Support shall be done in compliance with the Delegation of Manual of Authorities regarding the donation for charitable purpose and social activity support.

### **Political Support**

The Company shall adhere to democracy with the King as Head of State, stay politically neutral, avoid political support or assistance and encourage its employees to exercise their constitutional voting rights.

### **Giving and Receiving of Gifts**

- Any benefits shall not be accepted or called or offered, including any other expenses that is not appropriate, whether directly or indirectly In order to reward benefits that are beneficial to the employees, the Company or the business of the Company;
- Receiving gifts, shall act openly and transparently, such act shall not affect their decisions relating to the business of the company;
- Giving of gifts shall not be performed in a superfluous, immoral or illegal manner against all local laws;
- Giving of gifts shall comply with the Delegation of Manual of Authorities regarding giving of gifts.

### **Giving and Receiving of Welcome Reception**

- Giving and receiving of welcome reception shall be conducted only when considered necessary in accordance with general business custom and for the benefit of the company in a manner that does not exceed the normal relationship between those who have duties or businesses related to the work of the company and is reasonable;
- Do not make any payment on expenses regarding entertainment, including accommodation, transportation fee for business trip, an entire business trip, food and beverages or any other kind of expenses in order to motivate any government official, person or agency to act wrongfully and unlawfully against his/her duty for the benefit of the Company;
- Do not accept or request benefits or receive invitations to any party or reception, and do not agree to the invitation where expenses of which are offered to be paid by any third party or receive financial support from any third party in order that such gesture could affect the decision to conduct business together or to reciprocate benefits or to aim for benefits related to the Company.
- Giving and receiving of welcome reception shall comply with the Delegation of Manual of Authorities regarding Giving and Receiving of Welcome Reception.

## Whistle Blowing

The Company provides whistleblowing or complaint channels in case of any suspicious breaches of its Code of Conduct and anti-corruption policy and laws as well as corrupt behaviors and unequal treatment as follows:

- (1) Superiors of all levels who are trustworthy.
- (2) The Corporate Governance Working Group
- (3) Mail to:  
The Executive Chairman or the Chairman of the Audit Committee  
Bangkok Aviation Fuel Services Public Company Limited  
171/2 Kamphang Phet 6 Road, Don Mueang, Don Mueang, Bangkok 10210
- (4) E-mail: [ec@bafs.co.th](mailto:ec@bafs.co.th) or [ac@bafs.co.th](mailto:ac@bafs.co.th)
- (5) Corporate website: [www.bafsthai.com](http://www.bafsthai.com)

The Company does not support its employees in whistleblowing or filing their complaint to mass media or social network which is another channel other than those specified above.

## Whistleblower Protection

- The Company shall not disclose names, addresses, photographs or any other information of whistleblowers/ complainants and keep relevant information confidentially.
- Whistleblowers or complainants who get distressed or suffer any damage shall receive fair and appropriate treatment.
- In case where the Company has inspected and found that any employee violated the Company's Code of Conduct and Anti-Corruption Policy, such employee shall receive disciplinary penalties in accordance with the Company's Policy Manual and Articles of Association regarding discipline and disciplinary penalties. Such employee shall undergo legal punishment in case he/she violates the law. Moreover, employees can seek advice on compliance with anti-corruption measures from their superiors in hierarchical level or the Corporate Governance Working Group or the Manager of Regulatory Compliance Division, of which the Company shall not disclose any information.
- The Company shall notify result of investigation to whistleblowers/complainants within 30 days after completion of the process.

## Inquiry and Suggestion

If having any questions or suggestions for good corporate governance and anti-corruption, whistleblowers/complainants can contact the Corporate Governance Working Group or the corporate secretary, the Company shall not disclose any information.

## Section 5 Risk Management

### Principle

The Company realizes the importance of process in imposing strategy and a risk management as adequate and appropriate tool of risk control to be under the scope of Risk Appetite and Risk Tolerance. The Company's continuous compliance with the above-mentioned process

could help the Company and its subsidiaries reach their same goal and this shall result in its sustainable business operation.

### **Section 6 Sustainability**

#### **Principle**

The Company and Subsidiaries businesses are based on objectives, main goals and sustainable strategies in accordance with the good corporate governance and upholds the best practice and transparency by the maximum safety standard of good quality service in accordance with international standards in order to deliver the value according to the stakeholders' expectation as specified in sustainability policy.

### **Section 7 Dividend Payment**

#### **Principle**

The Company imposes dividend payment policy to its Shareholders at a rate not less than 50% of earnings after corporate income tax, legal and other reserves, which are calculated from a net profit of its separate financial statements.

### **Section 8 JV Core Principle**

#### **Principle**

The Company as a provider for storage and aviation refueling services can access to its customer's sensitive information, therefore, the Company shall have a procedure to use and keep such information without exchanging or disclosing such information. Such information can be exchanged or disclosed as necessary for its operation or as stipulated by laws or regulators only.

### **Section 9 Penalty**

#### **Principle**

The Company's all directors and employee shall strictly comply with this Policy. In case where any employee violates the Company's Policy, he/she shall receive disciplinary penalties in accordance with the Company's Policy and Articles of Association regarding discipline and disciplinary penalties. Such director and employee shall also undergo legal punishment in case he/she violates any laws.