



Sakol Energy Public Company Limited  
บริษัท สากล เอนเนอร์ยี จำกัด (มหาชน)



## Policies on good corporate governance

Sakol Energy Public Company Limited



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The Board of Directors of Sakol Energy Public Company Limited must conform to the law, objectives, regulations, and resolutions of the shareholders' meetings of the Company as well as adhering to and conforming to the principles of good corporate governance following the guidelines as stipulated by the Stock Exchange of Thailand. This is the guideline for the Company's operation to ensure the efficiency of the operations and also to ensure the transparency to the investors which will ensure the confidence in the Company's business operations to third parties. The good corporate governance of the Company covers the principles in 5 categories as follows:

### 1<sup>st</sup> category: the Rights of Shareholders

The Company recognizes and prioritizes various shareholders' rights as the securities investor and the Company's owners such as the rights to purchase, sell, transfer the securities held by them, the rights to receive the shares of profits from the Company, the rights to receive sufficient information, the rights of shareholders meetings, the rights to comment, the rights to make major corporate decisions, such as the allotment of dividends, the appointment or removal of directors, the appointment of auditors, the approval of significant transactions, and the direction of the Company's business operation including the amendments to the Memorandum of Association and the Company's regulations, etc.

The Company has the missions in promoting and facilitating the exercise of such shareholder's rights as follows:

(1) The Company will send the invitation letter to the meeting along with the information in each agenda to the shareholders in advance and will publish in the local newspaper at least 7 days prior to the meeting date or any other period as required by applicable laws or regulations.

(2) In the case that the shareholders cannot attend the meeting on their own, the Company gives the opportunity for the shareholders to appoint the independent directors or any other persons to attend the meeting on behalf.

(3) In the meeting of shareholders, the Company will use the place convenient to travel including selecting the appropriate date and time. The time for the meeting will be allocated sufficiently to meet the Company's policy in facilitating the Company's shareholders.

(4) At the shareholders' meeting, the Company will give all shareholders equal opportunity to express their opinions, suggestions, or ask questions on relevant issues independently before voting on any agenda. Moreover, there will be the directors and executives of related companies attending the shareholders' meeting to answer the questions in the meeting.

(5) After the shareholders' meeting has been completed, the Company will prepare the minutes accurately and completely in the important contents for the shareholders to check.



2<sup>nd</sup> category: the Equitable Treatment of Shareholders

The Company is committed to treat all shareholders equally, whether they are major shareholders or minor shareholders, non-executive shareholders or executive shareholders, Thai or foreign shareholders. The details are as follows:

(1) In convening each shareholder meeting, the Company gives equal opportunity to all shareholders. Before the commencement of the meeting, the chairman of the meeting will explain how to vote and how to count the votes of the shareholders who need to vote on each agenda and also give the opportunity for all shareholders and proxies attending the meeting to express their opinions, suggestions, and questions in each agenda by taking the right and sufficient time. The chairman of the meeting will proceed with the meeting according to the defined agenda.

(2) In the agenda of election, the Board of Directors will encourage the selection of individual nominees.

(3) The Company has required the directors to report any interest in any agenda at least prior to the consideration of the relevant agenda in the Board of Directors' meeting and recorded such interest in the minutes of the Board of Directors' meeting as well as prohibiting the directors who have significant interests in freely expressing their opinions on the agenda from participating in such agenda.

(4) The Company has set the guidelines for keeping and preventing the use of internal information of the Company. It is forbidden by any person or entity who knows the information to disclose it to unrelated entities or persons. In case any person disclosing such information or using such information whether for their own benefit or others or doing the transactions that may cause conflict of interest, it will be considered as serious offense and will be under the punishment on disciplinary act.

3<sup>rd</sup> category Consideration on the Role of Interested Persons

The Company gives the importance to the rights of all stakeholders whether the internal stakeholders who are shareholders and employees of the Company or external stakeholders such as trading partners, customers, etc. The company is well aware that the support and comments from all stakeholder groups are beneficial for the Company's operation and business development. The Company will comply with relevant laws and regulations so that the rights of such stakeholders will be well taken care of. Moreover, in the Company's business operation, the Company takes into account the rights of all stakeholders in the following ways:

**Shareholder** : The Company will operate the business with transparency and efficiency with the commitment to generate good operating results and stable growth for the maximum benefits of shareholders in the long-term as well as disclosing the information in a transparent and reliable manner to the shareholders.

**Employees** : The Company will treat all employees equally, fairly with reasonable returns. In addition, the Company also pays attention to the frequent development on skills, knowledge, capabilities, and potential of the employees such as arranging the trainings and seminars by giving the chance to every employee thoroughly and trying to motivate





In addition, the stakeholders can ask for details, notify the complaints, or clues to legal offense, inaccuracy of financial report, defective internal control system, or the unethical business of the Company through independent directors or Audit Committee of the Company. The data of complaints and clues notified to the Company will be kept confidential. The independent director or the Audit Committee will command on auditing the information and find solutions (if any) and will continue to report to the Board of Directors.

#### 4<sup>th</sup> category: Disclosure and Transparency

(1) The Company pays attention to the Company's financial statements and the financial information appearing in the annual report. The Audit Committee will review the quality of financial reports and internal control system including adequately disclosing the important information in the notes to the financial statements and report to the Board of Directors. Moreover, the Committee also supports the Management Discussion and Analysis preparation supplementary for the quarterly disclosure of financial statements.

(2) The Company will disclose the information about each director, roles and duties of the Board of Directors and the Company's subcommittees, number of meetings, and attendance in the previous year at the Company's Head Office.

(3) The Company will disclose the auditors' fees and other service fees provided by the auditor.

(4) The Company will prepare the report on corporate governance policy, business ethics, risk management policy, and social responsibility policy and the environment having been approved in summary as well as the results of conformity to such policies including the case of failure to comply with such policy together with reasons.

#### 5<sup>th</sup> category: responsibilities of the Board of Directors

##### 1. Structure of directors and subcommittees

The Board of Directors consists of persons with knowledge, skills and experiences that can benefit the Company. They will play an important role in policy and corporate overview making as well as playing an important role in supervising, monitoring and evaluating the Company's performance in accordance with the plan.

Currently, the Board of Directors consists of 9 directors; 4 executive directors and 5 non-executive directors. There are 5 independent directors, representing more than one third of the total number of directors resulting in the proper balance in the consideration and vote in each issue. The Board of Directors has a term of office of not more than 3 years in accordance with relevant laws. An independent director shall hold a term of office of not more than 9 years, unless the board of directors deems that the person should be appointed as the Company's independent director further for the maximum benefits of the Company. Moreover, the directors and the executives of the Company can be directors or executives of affiliated companies or other companies. However, it must comply with relevant laws or regulations and must report to the Company's Board of Directors meeting.

So that directors can devote their time to overseeing the company's business effectively. Directors who hold the positions of Chief Executive Officer and Managing Director must inform the Board of Directors every time before assuming a directorship position at another company. Except for holding the position of director of a subsidiary company.

The Board of Directors also nominated the subcommittees to assist in the corporate governance of the Company as follows:

(1) Audit Committee consists of at least 3 members to assist the Board of Directors in overseeing and monitoring the administration, internal control, and compliance with relevant laws, including the preparation of financial reports to make the operation and the Company's information disclosure transparent and reliable.

(2) Executive Committee consists of at least 3 members to assist the Board of Directors in managing the Company's business in accordance with the Company's policies, plans, regulations and rules, including those set within the framework assigned by the Board of Directors.

(3) Nomination and Remuneration Committee consists of at least 3 members of the Nomination and Remuneration Committee who are responsible for recruiting qualified persons for the positions of Director and Chief Executive Officer, considering the form and criteria for the remuneration payment to directors and the Chief Executive Officer to submit to the Board of Directors for approval and / or proposed to the shareholders' meeting for further approval (as the case may be) including the Chief Executive Officer development.

In addition, the Company has appointed the Company's secretary to perform duties related to the Board of Directors' meetings and the shareholders' meeting as well as supporting the work of the Board of Directors by providing advice on the legal and regulatory requirements related to the performance of duties of the Board of Directors including coordinating for the compliance with resolutions of the Company's Board of Directors.

## 2. Roles and responsibilities of the Board of Directors

The Company's Board of Directors is responsible to the shareholders regarding the business operations and has the duty to set policies and directions for the Company's operations to ensure that the management is in line with the objectives and guidelines for the long-term benefits of shareholders within the framework of the requirements, laws and code of business conduct while taking into account the interests of all stakeholders. The details are as defined in the Charter of the Board of Directors.

### (1) Corporate Governance Policy

The Company has established the corporate governance policy in writing to propose to the Board of Directors' meeting for approval. The Corporate Governance Manual is prepared with the intention to guide the directors, executives and employees to conform to such policy. The Company will review this policy annually.







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The Company's Board of Directors will rotate the assigned works following the proficiency of the executives and the employees by mainly considering the appropriateness of work and time. The CEO will determine the period and consider such work performance as the plan for the development and preservation of the Company's works for developing the executives and the employees to have more competence in working and can work in replacement to one another.

The policies on good corporate governance shall be enforced on 15<sup>th</sup> May 2024 onwards.

Signed

(Prof. Emeritus Dr. Direk Lavansiri)

Chairman of the Board of Directors

Sakol Energy Public Company Limited

