



# PTG ENERGY GROUP

## Supporting Documents

Of

## Good Corporate Governance Policy

### Record of revision

13	01/01/24	2023 annual review
12	01/01/23	2022 annual review
11	01/01/22	2021 annual review
10	01/01/21	2020 annual review
09	01/01/20	2019 annual review
08	01/01/19	Revised the whole report
07	01/01/18	2017 annual review
06	23/12/16	2016 annual review
05	22/12/15	2015 annual review
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02	01/08/14	Revised document code
01	03/12/13	2013 annual review
No. of revision	Effective Date	Detail of Revision



# Good Corporate Governance Policy

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The Company believes that the good corporate governance will make the management transparent and efficient and help the Company grow sustainably with good relationship with the Company's stakeholders, i.e. shareholders, investors, customers, and society. The Company set the Good Corporate Governance Policy according to the good corporate governance for listed companies created by the Stock Exchange of Thailand (as per below definition.) Such Good Corporate Governance Policy includes 5 sections: 1) Shareholder's rights, 2) Equitable Treatment of Shareholders, 3) Stakeholder's Role, 4) Information Disclosure and Transparency, and 5) Responsibility of the Board of Directors, as following detail:

## **Section 1: Shareholder's Rights**

The Company realizes and gives importance to the rights of shareholders, especially the basic rights, such as the right to receive news and Company's information sufficiently, the right to participate in the meetings to execute their votes in the shareholders meetings, etc. The Board of Directors must ensure that the shareholders participate in the significant decision making of the Company. Thus, the Company set the guideline to maintain the rights of shareholders and to support and provide the convenience for the shareholder's rights execution as follows:

1) The Company opens for shareholders to propose the meeting agenda, opinions and questions before the shareholder's meeting date.

2) The Company manages to send or disclose the significant information that was relevant to the shareholders meeting to the shareholders in advance and in time. The meeting invitation letter, the documents for each agenda, and the relevant information will be prepared in English and Thai version and sent to the shareholders in advance at least 7 days before the meeting or as required by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The notice of the meeting shall be advertised for consecutively 3 days in the newspaper or online media at least 3 days before the meeting date so that the shareholders have enough time for information consideration. The Company shall avoid inserting additional agendas that are not included in the information sent earlier to be fair for the shareholders who do not attend the meeting.

3) In the case that shareholders cannot attend the meeting, they can give a proxy to any independent directors or other individuals to attend the meeting on their behalf by using the proxy enclosed with the invitation letter.

4) The Company has a policy to promote and provide convenience to shareholders and institutional investors to participate in the meeting by setting up the meeting at the convenient location.

5) The Company supports every director to attend each shareholders meeting in order to answer the questions of shareholders appropriately.

6) In the meeting, the Company provides the shareholders with the equal rights to give opinions, suggestions or questions independently before conclusion in any agenda. The relevant directors and executives are required to attend the meeting in order to answer the questions. The discussion points and significant opinions will be recorded in the meeting minute so that the shareholders can review later.

7) The Company arranges for the ballot and has the meeting resolution recorded in the meeting minute. The vote count will be recorded for each category: agree, disagree and no vote, in each agenda that needs the shareholders' meeting's resolutions.

8) After the meeting, the Company will prepare the minute of meeting that shows the accurate and complete information for the shareholders' review and send the copy of the shareholders' meeting minute to the Stock Exchange of Thailand within 14 days after the shareholders' meeting date.



# Good Corporate Governance Policy

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## Section 2: The Equitable Treatment to Shareholders

The Company sees every group of shareholders equally important, no matter position they own, ie. executives, non- executive shareholders, minor shareholders, or foreign shareholders. The Company's policy supports the equitable treatment to all groups of shareholders as follows:

1) The information of the shareholders' meetings shall be publicized for the acknowledgement of every shareholder equally. The shareholders can ask questions before and during the meeting. The shareholders who cannot attend the meeting can give proxy to other persons to attend the meeting on their behalf.

2) The shareholders who are also the directors in the Company are required to disclose the conflict of interest information of their own and related persons and shall not be entitled to vote in the agenda of their interest.

3) The Board of Directors election meeting gives opportunity to shareholders to vote for the individual director whose qualification is believed to be appropriate to take care of their benefits. This creates the variety and the true representative for the shareholders.

4) The directors, executives and operational staff who have access to the internal information are required not to disclose such information to outsiders or unrelated persons. Moreover, the Company requires their directors, executives and operational staff to avoid the Company's securities trading by making use of the internal information which is not publicized and which they receive by using their positions. The directors and the executives cannot do the Company's securities trading during the one month before the financial statement is disclosed to the public.

5) The directors and the executives shall be informed and aware of their duty to report the changes in their securities holdings to the Securities and Exchange Commission, according to the Section 59 of the Securities and Exchange Act BE 2535 (including amendments). The senior directors and executives are also required to inform the Board or any person assigned by the Board on their Company's stock trading at least one day in advance of the trading date.

## Section 3: The Stakeholder's Roles

The Company realizes the importance and respects the rights of the business stakeholders, such as shareholders, customers, trade partners, creditors, debtors, competitors, community, society and environment, etc. So the Company shall comply with legal requirements and related regulations in order to ensure that the rights of every shareholder group are well regarded.

### Shareholder's Treatment

The Company has a policy to give the equitable treatment to shareholders and shall not do any actions that violate or deprive the rights of shareholders. The Company shall also protect the interests of shareholders and provide the highest satisfaction to shareholders with regards of the Company's sustainable growth, value added creation, appropriate and continuous returns and commitment to the good corporate governance principles.

### Treatment to Employees

The Company realizes the importance of every employee to the Company's business and has a policy to provide the equitable and fair treatment to every employee. The appointment, transfer, compensation and welfare, and punishment to employees must be fair, transparent and suitable for the case regarding their knowledge, ability and performance in the past. The Company arranges the welfare and basic benefits as required by law, including social security, provident fund, and continuous skill and ability development program, in accordance with the organization's direction and strategy. The corporate culture and the good working atmosphere are promoted. The appropriate remuneration is considered. The opportunity to share their opinions and suggestions to improve the work in every unit is encouraged to every level of employees.



# Good Corporate Governance Policy

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## **Treatment to Customers**

The Company focuses on customer's satisfaction by delivering the quality products that meet customer's demand and disclosing the complete and timely information of products and services with no distortion of fact. The Company shall comply with the contract, agreement or conditions made with customers transparently and equally. The customer's data must always be kept confidential and shall not be used for the benefits of the Company and/or other related parties.

## **Treatment to Trade Partners, Creditors, and Debtors**

The Company regards the equality, fairness and code of conduct. The Company and its employees shall not request for or receive or pay any dishonest benefits when doing business with trade partners, creditors and debtors and shall keep mutual benefits of trade partners, creditors and debtors by strictly complying with the legal contract and agreement. In the case that the Company cannot comply with any condition and contract commitment or mutual agreement, the Company shall inform its trade partners, creditors and debtors immediately in order to find the problem solutions together.

## **Treatment to Competitors**

The Company treats its trade partners based on the free trade principles, equality and fair competition. The Company does not support to discredit trade competitors with any accusation of slander or attacking competitors without the truth or taking any unfair action to competition.

## **Treatment to Community, Society and Environment**

The Company focuses on living together with the community, society and environment sustainably. With the realization of its role, duty and responsibility to community, society and environment, the Company sets up and regularly reviews the policy and working plan of safety, occupational health, security, and environment, to control and measure the performance of its employees and other persons involved with the safety, occupational health, security, and environment efficiently, effectively, and suitably with the changing situation. In addition, the Company promotes the efficient energy consumption to reduce the impact on environment and encourages its employees to have consciousness and responsibility to the community, society and environment. The Company does not support any activity that is a threat to society or good morals and/or promotion of amulet.

## **Section 4: Information Disclosure and Transparency**

The Company realizes the importance of information disclosure to shareholders, investors and public which shall be done accurately, completely, sufficiently for decision making and timely. The Company has a policy to disclose the information of the Company on the Electronic Company Information Disclosure (ELCID) of the Stock Exchange of Thailand and the Company's website ([www.ptgenergy.co.th](http://www.ptgenergy.co.th)) in both English and Thai versions, including reports, financial statements, general information according to the regulations of SEC and SET, and other information affecting the Company's securities price and the decision making of shareholders, investors and stakeholders. Furthermore, the Board of Directors assigned Mr. Rangsun Puangprang to be responsible for the Investor Relations department to communicate the Company's news, financial information, and general information to shareholders, investors, analysts and relevant government sectors, which shall be done accurately, completely, timely and in compliance with the legal requirement and regulations for the benefits of the decision making on investment, creation of trust and good image of the Company. The Board of Directors shall supervise the Company to prepare the Management Discussion and Analysis (MD&A) to be enclosed with the financial statement disclosure every quarter so that the investors are aware of the information and understand the changes in the financial status and the Company's quarterly performance in addition to the numeric data in the financial statement.



# Good Corporate Governance Policy

of the Company only. Any action and decision must be made without any influences of personal needs of employees, families, relatives, siblings or other persons whom they personally know. The Company's regulations must be complied with by the same standard.

The Company requires all employees not to make use of the internal information for the interest of their own, their families or their partisans improperly and to keep the internal information and documents confidential from outsiders and/or unrelated persons. The use of internal information must be within the employee's scope of duty and responsibility as assigned only.

## **Section 5: Responsibility of the Board of Directors**

### **Structure of the Board of Directors**

The Board of Directors consists of the Directors of the amount assigned by the shareholders' meeting but must not be less than 5 persons. They shall have knowledge, ability and experience in business and be approved by the shareholders' meeting to perform as the Directors. The Board of Directors has management Directors and non-management Directors in a proportion that reflects the balance of power. The Board of Directors is required to consist of not less than 3 Independent Directors or one third of the total Directors in the Board, whatever number is higher. And one third of the Board of Directors must retire from position in every Annual General Meeting of Shareholders. The Directors who have been in the positions for the longest period shall be the ones to retire. In the case that the number of retiring Directors does not fit the one third number, the closest number to one third can be used instead.

The Company separates the authority of the Board of Directors and the senior executives clearly. The Board of Directors sets up the policy and supervises the executives to execute the policy while the executives manage to make every function comply with the policy. The Board of Directors has duty to select a person qualified for the Chairman of the Board position and ensures that the Board's composition and operation support the use of discretion to make independent decisions. The Company requires the Chairman of the Board to be an Independent Director who does not own the position of Chairman of the Executive Board or Chief Executive Officer and Managing Director in order to clearly separate the duty of defining the governance policy and the routine management, to create sufficient power balance, and not to allow anyone to have an absolute power. Furthermore, the Company sets the scope of authority and duty of the Board of Directors, the committees, and the Chief Executive Officer and Managing Director in writing to clarify the scope of work and responsibility.

The Board of Directors shall appoint the suitable and qualified person for the Company Secretary position whose duties include the support to the Board of Directors in arranging the Board of Directors meetings, such as setting up the meeting, preparing the meeting agenda, sending the meeting invitation letter enclosed with the documents, and coordinating to ensure the Board of Directors' resolution is executed accordingly. The Company shall support the Company Secretary to receive the training and knowledge development continuously for the benefits of their duty performance. The Company Secretary has duty and responsibility according to 89/15 paragraph 1 and section 89/16 of the Securities and Exchange Act BE 2535 (including the amendments) which states the responsibility scope as follows, 1) Prepare and keep the Director registration, the meeting invitation, the minutes of meeting of the Board of Directors and shareholders, and the annual report of the Company. The duty also includes providing the legal advice and the regulations that the Board of Directors need to know, managing the business of the Board of Directors and coordinating to ensure the Board of Directors resolution is executed accordingly, 2) Keep the report of interest submitted by the Directors or Executives, and 3) Conduct any other tasked as required by the Capital Market Supervisory Board.

### **Nomination of Directors**



# Good Corporate Governance Policy

The Board of Directors shall supervise to ensure that the nomination of Directors is transparent and appoints the Nomination and Remuneration Committee by selecting from the Company's Directors who are not Executives and most of them are Independent Directors to consider the criteria and process of nomination. The qualified persons must have variety of skills, experiences, abilities, special qualification, gender and age as needed to achieve the organization's key objectives and target. The skills matrix shall be prepared to ensure the selected candidates have appropriate qualifications in accordance with the Company's requirement.

The Company has a plan to select the personnel for the position of Chief Executive Officer and Managing Director with appropriateness and transparency to ensure that the Company will get the Top Executive who is professional and independent from the major or any shareholders. The Nomination and Remuneration Committee shall consider the personnel who have skills, professional experiences and specific qualification as needed and beneficial to the Company's business conduct, including the concern on the potential to have conflict of interest, before proposing to the Board of Directors for approval.

In addition to the nomination and proposing the personnel for the top executive position, the Company prepares the succession plan for the position of Chief Executive Officer and Managing Director and senior executives as well. The personnel with the suitable qualification who are considered for the succession will be developed and equipped to be ready for the positions in the future. This is to create the confidence to shareholders, investors, and stakeholders that the Company's business conduct will be continued in a timely manner.

## Committees

The Board of Directors appointed various committees, such as Audit Committee, Executive Committee, Risk Management Committee, Corporate Governance Committee, Nomination and Remuneration Committee, to help the Board of Directors work on each specific area. The scope of duty, authority and responsibility of each committee shall be defined clearly in writing. Each committee consists of Directors who have knowledge, ability and experience related to the business and have complete qualifications according to Section 68 of the Public Company Limited Act BE 2535 (including amendments) and any other relevant announcements.

## Role, Duty and Responsibility of the Board of Directors

The Company requires the Board of Directors to comply with the Code of Best Practices of directors in listed companies according to the Securities and Exchange of Thailand guidelines. The Board of Directors has to understand and be aware of their role, duty and responsibility. They shall perform with duty of care and ensure the compliance with law, related rules and regulations. They shall also comply with the shareholders meeting's resolution with duty of loyalty and for the interest of the Company and shareholders.

The Board of Directors has the significant duty to approve policy and consider the approval process of significant issues of the Company, such as objectives, vision, mission, target, business strategy, plan, investment, transaction impacting on the business, risk, budget, dividend payment and information technology management, etc. They shall promote the communication of the Company's objective and target through the business strategy and plan throughout the organization. The organization's main objective and target shall be reflected in the decision and operation of every level of employees, as well as in the resources management. They shall also monitor and supervise the management to allocate and manage the resources efficiently and effectively while concerning the impact and the resource development along the value chain in order to achieve the main objective and target sustainably.

Moreover, they shall support the promotion of innovation and technology in coordination with trade partners to create competitiveness and add value to the business according to the changing





# Good Corporate Governance Policy

environmental conditions. The business value shall be created along with the sustainable development and the satisfaction of stakeholders, based on the social and environment responsibility. This shall also be taken into consideration when doing the strategy review, the working improvement planning and the performance monitoring.

The Board of Directors should ensure that the strategy and annual planning comply with the business objective and target regarding the business environment factors and the potential and the risk that could affect stakeholders. There must be the mechanism to ensure the true understanding of stakeholders' desire. They have to also support the annual planning and review of the objective, target, strategy and performance monitoring to be assured that the annual strategy and plan concern the longer-term impact.

The Board of Directors has duty to monitor the sufficiency of cash flow and the debt payment ability. Thus, the Board of Directors shall conduct business with caution, define the financial problem solving plan regarding the fairness to stakeholders and review the Company's performance report to be assured that the accounting system, financial report and auditing are credible. The Board of Directors supervises the Chief Executive Officer and Managing Director and the Management to operate according to the policy, plan and comply with the assigned duty with efficiency and effectiveness under the good corporate governance principles in order to maximize Economic Value and Shareholder's Wealth.

In order to gain the competitiveness and good business performance from the ethical code of conduct, the Board of Directors also support to create the ethics and code of conduct manual to drive the organization to commit to the ethics and to ensure the communication is made to all Directors, Executives and employees at all levels so that they can understand the ethical standards that the Company uses in business conduct, respect the rights and be responsible for shareholders or stakeholders. Moreover, the Board of Directors strictly regards the prohibition of giving or receiving bribes for the sake of business benefits and the prohibition of paying bribes for business agreement to the government and private sectors. The Company arranges the system to support the Anti-Corruption efficiently and assigns the Management team to implement the Anti-Corruption Policy and ensures that the Management realizes and gives importance to the Anti-Corruption and makes it become the organization culture. The Board of Directors shall arrange the process and channel to receive and manage the complaints from whistle blowers and the appropriate protection measures for the whistle blowers. Such process and channel shall be announced in the Company's website or annual report.

The Board of Directors supervises the information security system, defines the policy and method to keep the confidential information and manages the information that can have effect on the securities prices. The information impacting on the business control shall be disclosed based on the agreements. The Board of Directors supervises Directors, Executives, employees and relevant external parties to comply with the information security system as well.

The Board of Directors understands the structure and relationship of shareholders, shareholders' agreement or the policy of parent company which has effect on the business management control. When considering doing the transaction that could have a conflict of interest, the Company takes into consideration the principles of maintaining the best interests of the Company and its shareholders. The Company's direction to prevent the conflict of interests that could happen when doing the connected transactions requires the persons related to the transaction or have interests in such connected transactions to inform the Company of their relations or connection to such transactions. They shall not attend the consideration or give opinions on such transactions and do not have authority to approve such transactions.

The consideration of the connected transactions shall consider the prices and conditions as if they are made with outsiders and must be complied with the Securities and Exchange Act, regulations, announcements, orders or requirements of the Capital Market Supervisory Board and related stock exchanges.



# Good Corporate Governance Policy

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Moreover, the Audit Committee has duty to consider and give opinions on the connected transactions and propose to the Board of Directors. The Company also requires the connected transaction details to be disclosed in the Annual Report (Form 55-1) and Annual Report (Form 56-2).

The Board of Directors gives importance to the internal control and ensures the business conduct be in accordance with the law and related standards, both in the domestic and international levels. The Company set up the Internal Audit team to examine the internal control system of the Company for its effectiveness and efficiency to be assured that each functional unit has the appropriate policy and operations and the good internal control system. The Internal Audit team must prepare the report and present directly to the Audit Committee.

In addition, the Board of Directors gives importance to the risk management and understands the significant risks and approves the acceptable risks. To help the Company be able to adjust itself to the changing internal and external factors, the Risk Management Committee is set up to help the Board of Directors define the policy and direction of the overall risk management for the organization. The executive team shall implement the policy and assess the impact and opportunity from the identified risks in order to prioritize the risks and to apply the suitable risk management methods. The Company requires the Risk Management Committee to report any risks that could be the obstacles of the current business conduct, the potential new risks in the future, the risk about information technology and the risk about sustainability relating to the environmental, social and governance issues. The Risk Management Committee is also required to propose the suggestions or measures to manage such risks to be in the acceptable level and to regularly report the result of the executive team's implementation in accordance with the policy and risk management direction to the Board of Directors.

## **Holding the Director position in other companies**

### **Holding Director and Executive position in other companies**

The Company's Director can take the Director position in no more than 5 other listed companies in compliance with the policy and practices for holding the Director position in other companies and must be approved by the Board of Directors first, as following details:

1. Inform the position holding in other companies and organizations to the Nomination and Remuneration Committee for their acknowledgement.
2. The Nomination and Remuneration Committee proposes the issue to the Board of Directors for consideration and approval.
3. The Company Secretary reveals the information to the public in the Annual Report (Form 56-1) and Annual Report (Form 56-2).

### **Holding Director, Chief Executive Officer and Managing Director position in other companies**

Chief Executive Officer and Managing Director can hold the Director position in no more than 5 other listed companies in compliance with the policy and practices for holding the Director position in other companies and must be approved by the Board of Directors first, as following details:

1. Inform the position holding in other companies and organizations to the Nomination and Remuneration Committee for their acknowledgement.
2. The Nomination and Remuneration Committee proposes the issue to the Board of Directors for consideration and approval.
3. The Company Secretary reveals the information to the public in the Annual Report (Form 56-1) and Annual Report (Form 56-2).





# Good Corporate Governance Policy

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## **The Board of Directors Meeting**

The Company requires the Board of Directors to hold at least 6 meetings per year and the extra meeting as deemed appropriate. The meeting date shall be set and be informed to the Board of Directors in advance in the fourth quarter every year. Before the meeting, the Board of Directors has to set the agenda of the meeting and inform the Directors at least 7 days in advance of the meeting date. The invitation letter and the meeting agenda must be sent to the Board of Directors for their review and consideration at least 7 days in advance, except for the urgent case. For the sake of the Company's interests or rights, the meeting can be notified by other means and the meeting date can be set earlier than plan.

In the Board of Directors meeting, the Board of Directors shall supervise every Director to be responsible for the duty and allocate sufficient time for Directors and Management team to share their opinions, suggestions and comments independently. In some agendas, the top executives or relevant persons shall attend the meeting to provide explanation, opinions and answers to the Board of Directors' questions.

The Board of Directors requires the Directors to submit their report of interests before the consideration of such agenda and record it in the minutes of the Board of Directors' meeting. The Board of Directors should have the Directors with significant interests, who may not be able to provide independent comment, be excluded from such meeting agenda. In the resolution of the Board of Directors' meeting, the majority votes shall be considered. One Director is counted as one vote. The Director who has a conflict of interest shall not participate in the meeting and does not have the right to vote for that agenda. If the vote counts of each side are equal, the chairman of the meeting will have one more vote as the casting vote.

The Board of Directors' Secretary will attend every meeting, take meeting minute, submit it to the Chairman of the Board of Directors for his endorsing signature and propose for the meeting's confirmation in the second agenda of the next meeting. The Board of Directors' Secretary will also be the keeper of the information or documents relating to the meetings for reference search in the future.

## **Performance evaluation of Board of Directors, Committees, and Chief Executive Officer and Managing Director**

The Board of Directors requires the performance evaluation of the Board of Directors, committees by individual and by group, and Chief Executive Officer and Managing Director, to examine their duty performing, at least once a year. As a result, the committees can consider the performance and problems together, improve and solve problems, and take the evaluation result into consideration of the committees' composition in the future. The overall procedures, criteria and overall results shall be disclosed in the annual report.

## **Remuneration**

The Board of Directors has duty to agree on the criteria and factors of performance evaluation, to approve the annual remuneration structure and the appropriate remuneration criteria for the Directors, Executives and employees of all levels, and to communicate for the acknowledgement. The Board of Directors' duty is also to ensure that the Managing Director evaluates senior executives according to such evaluation criteria. The Company has the direction to set the remuneration rate of Directors at the appropriate level and sufficient to motivate Directors, Executives and employees of all levels to work in accordance with the organization's objectives and targets for the Company's best interests and

long-term services without any excessive remuneration payment. The Company set the remuneration rate for Directors based on the appropriateness of duty and responsibility, experiences, annual performance evaluation result, the Company's performance in the past, the remuneration rate of Directors in other companies in the same business and industry.

Furthermore, the remuneration of Directors shall be in accordance with the Company's



# Good Corporate Governance Policy

short-term and long-term objectives and strategies. The shareholders are the approver of the remuneration structure and rate of Directors, both in cash and non-cash form. The policy and criteria of the consideration of the remuneration rate, form and amount shall be disclosed in the Annual General Meeting of Shareholders.

## **Development of Directors and Executives**

The Board of Directors has a policy to encourage and facilitate the training to Executives and Directors who relate to the Company's Corporate Governance system in order to continuously improve the operations and regularly update the information. The Company supports its Executives and Directors to attend the relevant training programs for their awareness and understanding of the duties and responsibilities of Executives and Directors of the listed company in many matters, such as the law, rules, standards, risks, business related environment, many programs of Thai Institute of Directors Association (IOD), and regulatory agencies, etc. The Company sets the orientation session for every new Director who will receive the orientation documents which shall be useful for their work, the introduction to the nature of business and business direction. The Directors Development record shall be disclosed in the reports according to the good corporate governance principles, such as Annual Report.

## **Good Corporate Governance Policy Review**

The Company shall review the details and compliance with the good corporate governance policy at least once a year to make them suitable with the Company's business conduct and to comply with the rules set by the law in each period.