

### 3: Rights of Stakeholders

The Board sets the policies with regard to other stakeholders apart from the shareholders as follows.

#### **1. Policy on Employees**

The Company believes in the value of our human resources and will strive to be the employer of choice by promoting the participative management with equal opportunity for career advancement. Employees are encouraged to enter into the development program to enhance their capabilities to bring out their highest working potentials to undertake tasks in competent manner and maintain our leadership in the business.

- We will treat our employees with respect and honor.
- We will take action to ensure that qualified applicants are given equal opportunity to be employed with regards to the required qualification, educational background, experience and other requirements on a non-discriminatory basis regarding gender, age, nationality or religion.
- We will fairly remunerate our employees in consistent with the job requirements and performance taking into account the Company's ability to pay.
- We will encourage our employees to enter into the development program to enhance the work efficiency and for career advancement.
- We believe that good communications will foster efficiency and good relations. As such, we will keep our employees informed and updated of the relevant information as much as we can.
- We will provide a communication channel for employees to submit questions and complaints relating to work which we will seriously consider and remedy the problem to benefit and to promote good relations among all concerned parties.

#### **2. Policy on Customers**

The Company always commits to provide the followings to each and every customer.

- We will strictly deliver reliable services in accordance with the trade agreements.
- We will deliver good quality services that meet the specifications with care and efficiency.
- We will provide advices to the customers on the measures to economically and efficiently use the energy.

#### **3. Policy on Duties to Creditors**

The Company will honor the commitments with the creditors;

- We will strictly comply with the financial obligations and any term or condition stated in a financial agreement. We shall never resort to dishonest means such as concealment of financial information.

- If there is any situation that will affect the creditors such as the insecure financial position, we will notify the creditor in advance so that we can explore ways to resolve the problem situation together.

#### **4. Policy on Competitors**

We will work by the rules and will not use dishonest means such as bribery to seek for confidential or trade secret of competitors. We will not damage the reputation of the competitor by way of false allegation.

#### **5. Policy on Suppliers and Contractors**

The Company requires that all aspects of procurement of goods and services be conducted in compliance with ethical standards. In addition, the Company aims at developing and securing sustainable relationship with suppliers and contractors on the bases of value for money, technical conformance and mutual trust. As such, the following guidelines, which are prescribed in the Regulation on Procurement and Supply and the Code of Conduct, are fully observed.

- Competitive tendering with equal information,
- Objective evaluation of tenders and selection of suppliers and contractors,
- Appropriate forms of contract,
- Effective monitoring systems and management controls to ensure the proper fulfillment of contractual obligations, and to detect and prevent bribery, fraud or other malpractice throughout all stages of the procurement process, and
- Prompt payment consistent with the mutually agreed terms of trade

#### **6. Policy on Environment**

The Company has the intention to operate the business with the commitment to environmental responsibility:

- We will comply with relevant environmental laws and regulations.
- We will manage the business with the goal to alleviate the adverse effects on the environment, undertake appropriate reviews and evaluations of our performance to measure and to ensure compliance with this environmental policy,
- We will encourage employees to have strong concern and be responsible for the clean environment,
- We will protect environment and biodiversity in our working area to ensure a balanced and sustainable ecosystem,
- We will help reduce the greenhouse effect, causing climate change, and

- We will educate the employees on the environment including exchanging the knowledge with other agencies in order to continuously and regularly maintain good environment and to improve the working practice appropriate to the environment.

### **7. Policy on Safety and Occupational Health**

The Company believes that the safety and occupational health of our employees are our fundamental responsibilities and that the continued success of our operation depends upon the protection of our employees. The Company, therefore, set the policy to enable our employees and contractors to work safely and comply with the relevant laws:

- The Company will strive to prevent accident, injury and occupational illnesses through the active participation of every employee. We are committed to continuous efforts to identify and eliminate or manage safety risks associated with our activities.
- The Company will efficiently and carefully work in concert with the government agencies and other relevant units to recover the situation from any emergencies or accident caused by our operation.
- The Company will strictly comply with all applicable laws and regulations. In case that no enforceable body of law exists, we will apply reliable standards of our own.
- The Company will arrange for the proper design of tool and equipment, regulations, training and the control tools in a manner that safeguards workers, property and the communities in which we operates from machine, working procedures and occupational illnesses.
- Employees who report to work with illegal drugs in their system or report with level of alcohol or other chemical substances that could impair performance are subject to disciplinary action.

### **8. Community and Society Participation Policy**

The Company believes that the sustained success of our operations depends upon our being a responsible company, respecting and giving due attention to social, economic, environmental, health, safety and cultural needs of the communities where we work. Therefore as a matter of policy, the Company will strive to:

#### **8.1 Participation in social development policy**

- Involved in social development projects or activities in alignment with the company's core competency
- Build employees' awareness, understanding as well as encourage employees and other relevant parties to participate in social development activities
- Implement long-term projects and activities to generate sustainable results for the society

- Seek opportunities to exchange and share experiences and information with other organizations for continuous improvement

#### 8.2 Participation in the development of communities surrounding the power plants

- Support and develop the better quality of life of the communities surrounding power plants
- Foster and encourage employees as well as other relevant parties to operate their business with responsibility to the community
- Disseminate the company's operating results to community and public on a regular basis
- Seek opportunities to exchange and share experiences and information with other organizations for continuous improvement

### **9. Policy on Observation of Human Rights**

The Company requires that its directors, management and employees fully observe the following human rights.

- The Company encourages all employees to exercise their rights of citizenship in accordance with the constitution and relevant laws.
- Employees' personal information shall be kept with utmost discretion and confidentiality. Disclosure of personal information such as employee' biodata, health record, working experience or any other personal information to non-related party without the permission of such employee is considered a violation of the Code of Conduct and may result in a range of disciplinary action except when it is done in accordance with the Company's regulations or legal requirements.
- The Company does not support the violation of human rights and frauds.
- Employees must refrain from any deliberate discrimination or harassment in word or action against others based on the basis of race, gender, religion, age, and physical or mental disability.

### **10. Policy on Intellectual Property**

The Company will comply with the legal requirements on intellectual property and copy rights. Employees must check beforehand that the work or information that belongs to third parties can be used within EGCO Group without violating the intellectual property of others.

- Any work that is performed under EGCO Group is considered EGCO Group's intellectual property.
- All the intellectual properties which include the work in progress, innovation in all formats shall be returned to EGCO once an employee vacates the office.

- Employees who use EGCO Group's computers should use only the licensed software programs of EGCO Group to avoid violating intellectual property of others.
- Employees must check beforehand that the work or information that belongs to third parties can be used within EGCO Group without violating the intellectual property of others.

### **11. Whistleblower Policy**

The Company sets the channels for whistleblower programs to report on any suspected violation or crime. The procedure to protect the whistleblower is also put in place. To foster trust, information regarding whistleblower messages will be kept confidential and will be known only among responsible parties.

### **12. Tax Policy and Practices**

Aiming to comply with the tax regulations with efficient tax management for the utmost benefits to EGCO Group and create value to its shareholders, EGCO Group sets up the guidelines for the tax practices with a focus on compliance to related governing rules and regulations. The Company has realized that the compliance to the relevant laws and regulations would help reduce the tax risks caused by complicated transactions and support the Group's stable pace forwarding to sustainability, gaining acceptance from society and keeping an image of good corporate citizen. In this regard, the tax practices are described below:

1. **Compliance with related rules and regulations** to ensure the tax payment is correctly and completely made within the regulated period.
  - EGCO shall pay correctly all kinds of taxes related to EGCO Group's business, file the tax report and claim for the tax refund (if any) within the regulated period.
  - EGCO shall provide accurate tax information related to the Company's business when being investigated by the government authorities.
  - In case of any disputes arising out of or relating to the significant tax amount caused by the government's investigation which impacts to EGCO Group, the responsible employees will notify EGCO's Accounting and Budget Division to find proper solutions before clarification to, opposition to or agreement with the government authorities.
  - For the related transactions and financial support within EGCO Group, EGCO shall calculate the costs of related transactions on arm's length basis as same as doing business with other customers with fair market value on the date of transactions, in compliance with related laws.

- The Company shall render good cooperation to and maintain good relationship with the authorities who are in charge of taxation and will keep good reputation of EGCO Group,
  - The training courses in relation to tax issues will be regularly provided to responsible employees.
2. **Income tax management for employees assigned to work in Thailand** to make sure that the income tax is filed correctly within the regulated time and that the employees' tax is efficiently managed to relieve their tax burden.
- The structure of personal income tax in Thailand shall be studied.
  - The Company shall manage the withholding tax on employees' income tax and file the tax report to Department of Revenues within the regulated time.
  - The employees will be educated about the income tax benefits.
  - The Company shall follow up and study the newly regulated or amended laws on the personal income tax in Thailand and the government's alleviation measures. The studies are disseminated and notified to all employees.
3. **Tax Management for Project Investment in both Thailand and other countries** for the most benefits and tax risk mitigation of high-valued and complicated transactions, for the most benefits and tax risk mitigation of high-valued and complicated transactions
- The Company shall study the tax structure taking into account dividend incomes and capital gains in relation to project investment under related laws and regulations of both Thailand and other countries. Also, the impacts on tax shall be analyzed before entering any transactions such as acquisition, divestment, merger, restructure company establishment / liquidation, increase / decrease of registered capital and any other new transactions with significant values.
  - The result of the tax structure study aforementioned shall be proposed to the authorized party for approval in order to arrange the investment structure of new projects or to restructure the existing projects as appropriate for the most benefits to EGCO Group.
  - The change in law imposed in any countries which are related to EGCO Group's investment projects shall be followed up and analyzed for the consequential tax impacts and remedies. The tax impacts and remedies will be presented to the Management to consider further actions.

4. **Management of Income Tax for EGCO's expatriates working permanently in EGCO's overseas projects** in order that those expatriates pay their personal income tax in compliance with laws of each country where they are assigned without any additional tax burden.
- The Company shall study the structure of personal income tax of the countries where EGCO's expatriates are assigned.
  - The expatriates shall be informed of the guidelines and practices to avoid the increasing tax burden from working in other countries.
  - The Company shall cooperate with its overseas companies in personal income taxation for EGCO's expatriates.
  - The expatriates shall be provided training and education about the taxation of the countries where they are assigned.
  - The change in law imposed in any countries where the expatriates are assigned as well as the change in Thai laws which may affect the tax burden of the expatriates shall be followed up and analyzed for the consequential impacts and remedies. The impacts and remedies shall be presented to the Management to support their decision on revising tax practices and setting up tax alleviation measures for expatriates.
5. **Tax Law Database System Management** to gather tax laws and regulations necessary for EGCO Group to be conformed in Thailand and other countries.
- EGCO shall create database systems of tax laws and regulations in Thailand and other countries, where EGCO Group has invested, to be shared with and accessed to promptly by any related divisions when needed.
  - The Company shall keep abreast of newly regulated or amended tax laws in order to update the tax database.
  - The newly regulated or amended laws shall be analyzed and their impacts should be disseminated and notified to responsible business units.

**6. Mitigation of Tax Risks** to ensure that EGCO Group conducts sufficient and appropriate tax risk management and complies with EGCO's risk management policy.

- The Company shall analyze and assess all risks associated to EGCO's business process in Thailand and other countries which may have negative impacts on EGCO Group's tax filing, based on risk management principles.
- The Company shall regularly monitor the progress of tax risk management. The progress will be used **for** the annual review and revision of tax risk factors.
- The best practices for tax management will be recommended to prevent and reduce the tax risk exposure.