

Corporate Social Responsibility for Sustainable Development 11

The Company is committed in develop sustainable management practices along with good governance, social and environmental responsibility and consider all stakeholders concerned by conducting business with prudence, adhering to the Code of Conduct and operate business with transparency and transparency under the good corporate governance policy. There is risk management within the organization, internal audit in all processes for the organization to operate efficiently to establish confidence in business partners, customers, shareholders, investors or all stakeholders. Also, including participation in social development and the conservation of natural resources according to the social and environmental responsibility policy to develop and lead the organization towards sustainability in the future and in accordance with the vision and mission of the Company.

Sustainability Management Framework focuses on responsibility in the economic, social and environmental aspects, take into consideration both direct and indirect of internal and external stakeholders such as shareholders, investors, employees, creditors, business partners, customers, communities, societies, or outside interested as well as key risks analysis which affect the business sustainability for the Company to participate in the care of all stakeholders.

Topics	Main point of sustainable development	Strategies of management	Affectation to Stakeholders
Economy Sustainability	<ul style="list-style-type: none"> - Maintain the excellency in operation - Modify the strategy for each situation - Support social economy 	<ul style="list-style-type: none"> - Maintain the quality standard of products and services - Quality Policy - Employee Development Policy - Anti-Corruption Policy 	Shareholders, Investors, Customers, Partners, Creditors, Employees, Financial Institute, Society and Community
Environment sustainability	<ul style="list-style-type: none"> - Environment-friendly transportation - Awareness in environmental conservation 	<ul style="list-style-type: none"> - Safety, Occupational Health and Environment Policy - CSR Policy 	Society and Community
Society Sustainability	<ul style="list-style-type: none"> - Fairness Business - Anti-Corruption - Human Rights - Customer Mind - Society and Environment Sustainability 	<ul style="list-style-type: none"> - Code of Conduct - Code of Business Conduct - Anti Corruption Policy - Conflicts of Interest Policy - Related Transaction Policy - Human Resource Policy and Personnel Development 	Customers, Partners, Creditors, Financial Institute, Society, Community and Employees

Summarize of the key issues for the company's sustainable business.

1. Economy Sustainability

1.1 Maintain operational excellence

The Company has been in the business of fuel trading for more than 20 years, with experience, reputation, and skilled personnel. The company has continued to increase revenue and to be known in the South East Asian trade market. The company has partners as a leading manufacturer and distributor of fuel in Thailand which can fully support the sale to meet customer expectation.

The Company has partners in the oil shipping fleet and gasoline carriers who have High standards of service to ensures the Company has potential to deliver the quality on time. All carriers are covered by third party insurance with standardized shipping process in safety awareness on environment and communities.

The Company certified in the ISO 9001 quality management system standard to strengthen reliability of its operations, from ordering, receiving, and delivering to the customer. There is also a safety and security system in delivering product from the source to the destination to provide customers with quality products and accurate to meet customer requirement.

In Supply Management, the Company provide service with international standard as to select high potential partners and resources. The company has been awarded the safety, security, health and environment by PTT Exploration and Production PLC (PTTEP), both in 2013 and year 2016, which prove the company's success.

From core business, the Company model as a credible organization, skilled human resources, documentation and operating systems at the international level. As all said, the Company can expand customer market to steadily perform economic growth.

The Company has Anti-Corruption policy focus on fraud-free operations in every process from executive to employee level, thought the Company can fully collect revenue.

The Company also has a mission to expand its business portfolio. This will generate more profit for the Company in the future and reduce the risk from the core business. To add value to the organization and return benefit to all stakeholders.

1.2 Modify the strategy in accordance with the situation.

At the end of 2014 until 2019, the company is in the petroleum, petrochemical, and industrial sectors that have problems. The price of crude oil in the market has declined considerably. As a result, the income from the business of selling fuel is directly affected. From fluctuating oil prices, making the executives to have to adjust business strategies in order to comply with the changing environment and reduce the impact on the core business of the organization. By expanding investment to other businesses both the business that related to the main business such as condensate separation business, which produces and sells chemicals. In 2017, the company has entered to renewable energy business, such as the solar rooftop project that produces and sells electricity to the Metropolitan Electricity Authority and the Provincial Electricity Authority. Which will create growth potential and increase income and profit stability for the organization in the long term.

1.3 Support the community Economy

The company has expanded its investment in exploration and production in Pan Orient Energy (Siam) Limited ("POES"), which has been granted a petroleum exploration and production concession in the Kamphaeng Saen District. POES has arranged social activities for community and society in the concession area, such as donating learning and sports equipment and donating to set up a clinic in the community, both in Nakhon Pathom and Suphanburi provinces, and Sea Oil Petrochemicals Co., Ltd. has engaged in the business of condensate separation plant located in Amata Nakorn Industrial Estate Mueang Chon Buri district, Chon Buri province. The Group plans to support the development of community and society in Chonburi, such as granting scholarships to students who are underprivileged in the Chonburi area.

1.4 Develop personnel to be a leading organization

The Company realized the importance of developing knowledge, ability and potential of personnel in every level of organization and set up human resource policy and personnel development, including the development of skills needed to perform tasks, leadership development training plans, coaching and educational support.

The Company also encouraged employees to express their opinions or propose ways to develop the organization together with the Company and there was a suggestion box for comments, suggestions and complaints inside the Company. The company encouraged the employees to adjust their skills, knowledge, abilities to be use in work implementation to achieve maximum efficiency and effectiveness.

2. Environmental sustainability

2.1 Environmentally friendly transport process

The Company arranged marine carriers who have been certified by the Hull Standard and strictly complied with the and laws and had standards of safety, occupational health and the environment. The carriers should have transportation plans of the marine fuel in order to prepare for each transportation by adhering to the law of the Thai Maritime Navigation Act on Marine Pollution Control. The Company has an inspector to supervise the delivery from the source to the destination. The inspector will manage the shipment to meet the standards of life and environment safety. In event of emergency, there are international standards such as in oil leakage during shipment, the carrier will use a Boom Oil to prevent oil spills extent to ensure that no pollution is going to the environment.

2.2 Environmental awareness

The Company promotes corporate social responsibility and environmental responsibility training start with the orientation of directors and new employees. It is also instilled in the management and employees to be consciously aware of the conservation of natural resources and the preservation of the environment. The management and staffs have ongoing quality improvement activities that promote the conservation of natural resources and the environment, such as oil sample and packaged bottles disposal, energy saving activities, paper reduction activities. As example of oil sample and packaged bottles disposal, the company developed a systematic

elimination process and selects high quality oil removers. The plastic bottles will be recycled in accordance with industry standards. Every step of the operation or the company will aware all stakeholders and the environment at most.

The company purchased a solar rooftop power plant that was installed on the roof of the factory, warehouse or rooftop building which if a business that does not destroy natural resources and creates pollution for society, community and environment. Also, solar panels installed on factories, warehouses or buildings will help reduce the heat from the sunlight shining directly on the object, reducing the use of energy such as air conditioners or fans as well to make the environment more sustainable with the organization.

3. Community Sustainable Development

3.1 Fair Business

The Company is committed in fair and ethical business practices, action to strictly comply with the laws. The Company prohibits any illegal practice or circumvention of the law, action violating intellectual property or copyright as well as opposes all forms of corruption. Hence, the Company stipulates the policies to set up the performance framework for conducting fair business practices such as Conflict of Interest policy, Business Code of Conduct, Anti-Corruption Policy.

The Company has provided channels for the shareholders, investors, business partners, customers, communities, employees or all stakeholders to propose their opinions, suggestions and complaints. As to report the corrupt performance of management and employees in various communication, such as by phone, by mail, by email or website, as on anti-corruption policy. The company has a confidentiality measure of the complainant. The complaint process is proposed to the Chairman of the Audit Committee or the Chairman of the Corporate Governance Committee, to consider disciplinary action or legal action against a fraudulent or committing offender. This will inform the complainant of the outcome or the progress report until the process is completed. The anti-corruption assures the organization of a transparent and fair operation, also verifiable manner.

3.2 Respect and treatment in human rights

The company focuses on labor aspect and support the systematical development of human resources in every process to drive the organization efficiency by setting the priority to the knowledge development, providing appropriate welfare and compensation to the employees as well as provide safe environment for both life and assets of the employees. In addition, the Company has determined safety, occupational health and environment policy for safe and healthy work system in office and during work.

Moreover, the Company and its subsidiaries has made a report of work accident statistics for the year 2018, which didn't cause any accidents from work within the organization in any cases, for example; first aid case, medical treatment case or lost workday case. Thus, the Company has zero incident.

The Company provides benefits to the employees and their families, such as social security, support in funding both in workmen's compensation and provident funds, and scholarships to good performance employee's children which is an educational support for youth. The right in health insurance for the husband / wife and children

of the employee in premium rate for family health coverage, and reduces the burden on employees. There is also annual health checkup for all employees. Work and Leisure Policy to prevent employee fatigue and prevent work accidents. There is also a policy of bullying, harassment in the workplace to create a work environment and employees to respect each other. The principle of respect are basic human rights.

In 2019, the Company has organized activities to promote good health in the organization, which is one of continuous quality improvement activities (CQI) which encourages the executives, employees, partners and customers to do sports or exercise activities together to create both physical and mental health and build relationship between organizations and partners and customers. Thus, the Company organized exercised activities as a health benefit for the employees within the organization.

The Company was aware of basic human rights, promote respect of rights and freedom through non-discrimination, support equity, do not violate others' rights, respect the employees' rights to express their opinions freely without interruption. The Company provides communication channels to freely receive all stakeholders' suggestion.

3.3 Responsibilities to customer or consumer

The Company focuses on customer satisfaction as well making good relationships and adding value to customers. The Company has a policy on loss of goods and transportation control for quality control to certain the volume of the product transit and maintain a high standard of service to maximize customer satisfaction.

The Company further increased shipment and transit control standards. the inspectors are assigned to supervise the delivery from the source to destination to ensure that customers completely receive product as required. The Company's standard is guaranteed by the Best Practice Award for Quality Management, Business Management, Logistics Services, from Department of Business Development, Ministry of Commerce. By carries out the shipment under safety and in accordance with oil transportation standards.

For catering and service, the Company has served with international standards and satisfied the needs of the customers in quality, cleanliness, hygiene, safety as well as integrity in service according to the quality policy and safety, occupational health and environment policy of the Company resulting in the Company being accepted and trusted by the customers. Moreover, the Company received awards for safety, security, health and environment from the customers as well. In 2019, the Company provided catering services to two customers with the maximum service hours at 100,776 man-hours with zero incident, whether work accident, illness or food poisoning which occurs to the employees who provide services or the customers' employees.

The Company realized responsibility to the customers. Hence, there was customers' satisfaction evaluation twice a year, divided by the types of the business as follows:

1. Oil Distribution Business – total average satisfaction score 89.85%
2. Supply Management Business – total average satisfaction score 89.50%
3. Solvent and Petroleum Production and Distribution – total average satisfaction score 96.00%

In evaluating the customers' satisfaction, ordering system, standard of delivery and document control system as well as the services of the staffs must be taken into account. The results of the evaluation will be used to improve performance under the ISO 9001 quality management system. The Company complies with the requirements which consider essential service development as important and also manages complaints and uses those to improve to be in compliance with the Company's policies.

3.4 Participation in community, social development and environmental care

The Company's business operation adheres to the mission in terms of the environment policy and social and environmental responsibility as indicated in Vision and Mission. The importance of social, environmental, and community responsibility is a duty of executive and all employees both inside and outside the organization needing to carry out activities and create participation in such areas, in order to comply with the quality policy and social and environmental responsibility policy.

The Company has provided the trainings regarding environment, natural resource conservation, energy saving and waste sorting inside the organization as well as instilled conscious to the managements and employees to always care for society, environment and community.

As the Company core businesses are fuel distributor and food, raw materials and other services supply services mostly to marine customers. The Company is responsible for society and environment in accordance with the corporate governance policy in order to protect marine resources and environment by implementing in compliance with the Business Code of Conduct. The management will not perform any action which cause damage to the natural resources and environment as well as promote the activities for society to raise awareness of the employees at all levels for social responsibility.

Corporate social responsibility policy required executives to comply with the laws and regulations related to the business of fuel distributor both by bunker and in land service. The executives will not do anything that promotes or encourages the illegal act which socially and environmentally responsible consider as an important to continuously implemented.

CSR considered into two main aspects: process responsibility. (CSR-in-process), which the Company has a quality management system defined by quality policy and social activities (CSR-after-process). The Company has set a CSR management team -communication and organization image- to work on the activities that return benefits to society, environment and community. The management team participates in activities of promote education for youth, to conserve marine natural resources, such as giving scholarships for children and youth who lack of scholarships, funding for school restoration, beach cleaning, back to the sea of sea life, etc. All activities are in line with the policy of support for education and natural healing. Also, the Company seeks the opportunity to raise awareness about the conservation of marine resources that must be done mutually with community. Also, the Company supports children, young people in the seaside community and promotes ecosystems and educational of marine resources preservation.

Social and environmental responsibility policy

Social and environmental responsibility policy is a framework for the company's business operations for the directors, management and employees in the same direction. It is proposed into 6 guidelines: 1) good corporate governance 2) fair business practices 3) respect for human rights / fair labor practices; 4) community participation and educational promotion; 5) environmental preservation; 6) responsibility to customers, competitors, trading partners, creditors, which are related to the vision and mission.

The CSR management team -communication and organization image- is responsible to control the operation in accordance with the social and environmental responsibility policy. The company analyzes process concerned, such as delivery system, procurement inspection, and assessment of the potential risk to stakeholders at each process, for correct and prevent unintended to all parties.

Business Code of Conduct

Business Code of Conduct is a standard that defines good practices of directors, executives and employees in conducting business under the framework of ethics, morality and integrity. By adhering to the duty and responsibility to all stakeholders in a fair and equitable manner. Summary of important details as follows:

- Focus on honesty, transparency, fairness and the interests of the company and shareholders and do not do anything that could cause damage to the company. (In line with fair business practices)
- Act to comply with the law and rules governing the conduct of business, do not do anything in promotes illegal practice or circumvention of the law. Including, infringement of intellectual property and open a channel for complaints or clues about illegal activities done by directors, executives and employees. (Corresponds to Anti-corruption)
- Committees, managers and employees do not call or accept as well not give a bribe, to trade practice with partners and / or creditors and provide accurate information about the company. (Corresponds to Anti-corruption)
- Respect for the individuality and dignity of the employee humanity, avoid any unfair action that may threaten and put pressure on the mental state of employees. (In line with respect for human rights)
- Treatment of employees in accordance with labor laws and regulations. By providing appropriate welfare and compensation. Including the importance and promotion of knowledge development and the ability of employees thoroughly and fairly. (Consistent with fair treatment of workers)
- Provide quality services and maintain product quality with professional standards. Also, comply with the terms, commitments or offers that provided to customers or the public. (Consistent with consumer responsibility)
- No action that could cause damage to natural resources and the environment to instill a sense of responsibility for employees at all levels in a serious responsible manner, and to instill a sense of a return values to society. (In line with environmental preservation / community or social development)

Reporting Process

The company focused on sustainable economic development practices by social and environmental policy, which set the course of action to demonstrate its economic responsibility. The company made a sustainability reports in 2019 with developing the Global Reporting Initiative (GRI), it provides content and details in line related with the Code of Conduct and GRI Framework Requirements.

CSR-After-Process

Sea Oil Public Company Limited is a company in the Nathalin Group. Therefore, conducted activities with companies in the Nathalin Group to organize social activities, by focusing on the benefits to return to society, create educational foundation for national personnel in the future and maintain and conserve marine resources including other natural resources. Which the company has a clear social role by giving scholarships for students in various schools, Including giving scholarships to employees' kids. Which is a way of managers to returning the profit to society and continue to build the future.

Social Activities of Sea Oil Public Company Limited in 2019

- "Children's Day and Sport Day Activities " donation by Sea Oil Public Company Limited together with the Nathalin group donated money, food, beverage and sports equipment to Pongploy Anusorn School and Khlong Samrong School to support children's day activities on 10 January 2019.
- "Donation for Construction of the Clinic" by Sea Oil Public Company Limited together with Pan Orient Energy (Siam) Limited on 21 February 2019 at Kamphaengsaen District, Nakornpathom Province with the purpose to support the hospital and public health in Kamphaengsaen District, Nakornpathom Province.
- "Hope and Help, life has hope by giving" contribution to the fund of Royal Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn by Sea Oil Public Company Limited on 20 July 2019 at the television station of Thailand, Khon Kaen province in order to honor and recognize the grace of Her Royal Highness Princess Srinagarindra and to help underprivileged patients.
- "Donation for Construction of the Botanical Garden" by Sea Oil Public Company Limited on 20 July 2019 at Khaoprayadernthong project, celebration on auspicious occasion of 60th anniversary learning center, Phatthananihkom District, Lopburi Province in order to support restoration of the nature and community activities.
- "CSR - Giving Scholarships and Necessary Supplies" by Sea Oil Public Company Limited together with Nathalin Group on 10 November 2019 at Ban Rang Sadao School, Kanchanaburi Province with the purpose to educational support the students who lack of funds.
- "Donation for Old Elephant Foundation" by Sea Oil Public Company Limited together with Nathalin Group on 10 November 2019 at Old Elephant Foundation, Kanchanaburi Province with the purpose to monetary support old elephants and maintain those as the symbol of Thailand.

- “Support the International Conference on Logistics and Supply Chain” by Sea Oil Public Company Limited to donate as support of the international conference held on 14-15 November 2019 at Hanoi, Vietnam with the purpose to support academicians and researchers to widespread the knowledge gain from their own researches which can be used to apply for community and society's benefit.
- “Release of Aquatic Animals (Horse Crab)” by Sea Oil Public Company Limited together with Prima Marine on 30 November 2019 at Haad Yao, Nuea Khlong District, Krabi Province with the purpose to release the aquatic animals back to the sea to restore the balance.
- “Giving Scholarships to Underprivileged Children” by Sea Oil Public Company Limited, its directors, managements and employees, on 14 December 2019 at House of Grace Child Foundation, Thamai District, Chanthaburi Province with the purpose to support education for disabled children and create a future for the underprivileged students.