

### 3. Driving Business for sustainability.

#### 3.1 Policy and Sustainability Management Goals

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.

In 2020, the Board of Directors has adjusted the policy of social and environmental responsibility to clearly define a framework for conducting business under good corporate governance principles of both the Company and its subsidiaries, and requiring directors, executives and employees to act in the same direction with social responsibility, comply with ethics for the benefit of the organization , which is divided into four practices are :

- 1) The business with fairness,
- 2 ) Respect for human rights / fairly labor practices
- 3) Responsibility to stakeholder.
- 4) Responsibility towards the community, society and environment that focuses on community development. Education promotion and environmental conservation, as well as reducing energy consumption in a concrete way. By applying technology in the most appropriate and cost-effective way

The company has The CSR management team -communication and organization image administration- 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.

Especially in the year 2020, the company has focused on the importance of human rights. Promote rights and freedoms through non-discrimination. Including labor, it promotes the development of resources in systematic according to the human resource management policy. The company also concern on the health of employees and society during the coronavirus outbreak (COVID 19), thus adding measures to prevent the spread of COVID 19 equally for all employees.

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:

- Directors, executives and employees to 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. With the policy of conflict of interest to consider the transaction concerned according to the laws, regulations or requirements of the Stock Exchange of Thailand.

- Directors, executives and employees do not call or accept as well not give a bribe, to trade practice with partners and / or creditors and not to conduct any intention of fraud, corrupt and follow company policy, regulations and the laws. Company has defined the practice of giving gifts, entertaining, donation or charities. Do nothing to encourage the action or involved in law violation. According to the anti-corruption policy including the adoption of practical policies and does not violate intellectual property rights. Together, provide channels to received complaints, suggestions or a clue Fraud corrupt.

- The company has established a code of business ethics. By adhering to ethical principles comply with laws, rules and regulations, requirements of regulators. By treating all stakeholders fairly and equitably to shareholders, customers, business partners, creditors, competitors, government unit, employees, society, community and environment.

The Board of Directors has supervised and followed up to comply with the Code of Conduct in accordance with the law. Rules and regulations established and environment by review at least once a year. For the years 2020-2021 policies and regulations has been revised to comply with the law, social and environmental conditions in sustainability of management goals as follows:

- Reviewing the governance policy, increasing diversity in the structure of the Board of Directors and appropriate acceptance of differences. To promote a different perspective to benefit all stakeholders including the determination of directorship positions in no more than 5 listed companies

- Adjusting the sales policy to be in response with trade market with awareness of the benefits of stakeholders

- Adjusting the credit management policy and the recognition policy for trade receivable impairment to be in line with the rapidly changing new accounting law.

- Adjusting policy for recruiting directors and executives in accordance with the principles of corporate governance and the Charter of the Nominating Committee.

- The use of external communication technology awareness by all directors, executives and employees within the organization, therefore, sets out the policy of using social media.

- The Personal Data Policy accordance with the applicable law on 2019 which will effective in 2021

- Strategic and operation adjustment under the coronavirus outbreak (COVID-19) is a business continuity management policy to prevent business interruption



### 3.2 Managing the impacts on stakeholders in the business value chain

#### Business value chain

SEAOIL business value chain					
Type of business	Production factor management	Practical applications	Distribution of products and services	Marketing and Sales	After-sales service
Oil Trading business	<ul style="list-style-type: none"> <li>- The supply of products to meet the needs of customers.</li> <li>- Procurement of products from reliable quality sources</li> <li>- Diverse, Non-Monopolized Producers</li> </ul>	<ul style="list-style-type: none"> <li>- To control the quality of transportation to be safe and have measures to prevent any impact that may occur on the community and the environment</li> <li>- Provide oil inspector to completely monitor quantity and quality deliver of the products orders.</li> <li>- Selection of quality transporters and vehicles</li> </ul>	<ul style="list-style-type: none"> <li>- Increase various distribution channels, including truck tank and bunker vessel</li> <li>- Evaluate the quality of delivery on every delivery.</li> <li>- Evaluate the quality and service of the subcontractor</li> <li>- Increase distribution channels through dealers/agents</li> <li>- Control on time delivery</li> </ul>	<ul style="list-style-type: none"> <li>- The pricing policy for the Cost Plus Margin price is set appropriately.</li> <li>- Communicating and providing accurate and complete information</li> <li>- Sales personnel with business expertise and able to provide accurate advice</li> </ul>	<ul style="list-style-type: none"> <li>- There are channels for receiving suggestions or complaints from customers.</li> <li>- There is an assessment of customer satisfaction.</li> </ul>
Catering & Supply Management	<ul style="list-style-type: none"> <li>- Selection of standard suppliers</li> <li>- The use of distributor in site located area to support revenue of the community.</li> <li>- Selection of environmentally friendly products</li> <li>- Employing local staff to generate income for the community</li> <li>- Select quality raw materials.</li> </ul>	<ul style="list-style-type: none"> <li>- Controlling and inspecting the quality of products and raw materials before packing and delivery to customers</li> <li>- Control of cleanliness and safety in work area</li> <li>- Recruiting skilled personnel</li> </ul>	<ul style="list-style-type: none"> <li>- Manage on time products deliver.</li> <li>- Deliver quality products and services with safety</li> </ul>	<ul style="list-style-type: none"> <li>- Providing customer service both onshore and offshore</li> <li>- Fairly price set up for product and service</li> <li>- Arrange variety of food menus with customer health awareness</li> </ul>	<ul style="list-style-type: none"> <li>- There is an assessment of customer satisfaction in providing services.</li> <li>- Providing useful feedback to customers' health</li> </ul>

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.

The company has prepared to certify ISO 14001 (Environmental Management System) that to achieve environmental development in conjunction with business development With a major focus on pollution prevention and environmental protection, which emphasizes the importance of operating under safety both to employees and all related associates. Raising awareness of employees is always a necessary communication. Therefore, there is a review and emphasis on the performance of the work. Including the development of employees' potential to have the knowledge and expertise to be most efficient in every process. And focus on environmental protection for the benefit of all stakeholders





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 from customers, which prove the company's success and ability to respond the needs of customers. Both for Safety, Occupational Health and Environment to perform the task without incident (ZERO Accident).











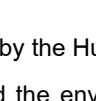

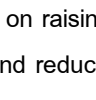
**Stakeholder Analysis in the Business Value Chain**

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.

Sustainability Management Framework under business value chain 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	Support sustainable development (SGDs)	Affectation to Stakeholders
Environment sustainability	<ul style="list-style-type: none"> <li>- Environment-friendly transportation</li> <li>- Awareness in global Energy and environmental conservation</li> </ul>	<ul style="list-style-type: none"> <li>- Quality, Safety, Occupational Health and Environment Policy</li> <li>- CSR Policy</li> </ul>	 12.2  12.4  14.1  15.2	Society and Community

Topics	Main point of sustainable development	Strategies of management	Support sustainable development (SGDs)	Affection to Stakeholders
Society Sustainability	<ul style="list-style-type: none"> <li>- Maintain operational excellence</li> <li>- Respect for human rights and treat labor fairly</li> <li>- Support employment and community resources Community economy</li> <li>- Develop human resources to aim for leading organizations</li> <li>- Fair business operation</li> </ul>	<ul style="list-style-type: none"> <li>- Quality, Safety, Occupational Health and Environment Policy</li> <li>- Anti-Corruption Policy</li> <li>- Good corporate governance policy and business ethics</li> <li>- Conflict of Interest Policy</li> <li>- Related Transactions Policy</li> <li>- Human Resources Policy and Human Resource Development</li> <li>- Personal Data Protection Policy</li> <li>- Social media usage policy</li> </ul>	<ul style="list-style-type: none"> <li> 3.8</li> <li> 4.4</li> <li> 4.7</li> <li> 5.1</li> <li> 5.5</li> <li> 8.5</li> <li> 8.8</li> <li> 10.2</li> <li> 12.2</li> <li> 12.4</li> <li> 13.3</li> <li> 16.5</li> <li> 16.6</li> </ul>	Investor, shareholders, Partner, customers, Creditors / Financial Institutions, Society and community, Staff

### 3.3 Sustainability Management in Environmental Dimensions

#### Environmental Policies and Practices

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 with standard in safety, occupational health and environment responsible to stakeholders in accordance with the social and environmental responsibility policy.

In 2020, the company has reviewed the CSR policy that focuses on raising awareness of employees at all levels in the conservation of natural resources, protect the environment and reduce energy consumption within the organization to outside the organization and support to training ISO 14001 Standard in 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.

The Company has reviewed the Quality, Safety, Occupational Health and Environment focusing on risk management to prevent the loss in various forms as an accident, force of majeure arising from operations. Along to enhance personnel and contractors to understand their duties and rights to stop working under unsafe conditions. As we also do protect the environment which may affect life, property and community as well as responding to customer needs including Safety, Occupational Health and Environment to operate without accident (ZERO Accident).

### **Environmental performance**

#### **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. In 2020, the company did not have any emergency which cause oil spill into the sea

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.

For Catering Service activities, company use material and containers that environment friendly, such as a Green Product meal box, biodegradable containers, and other products. Also process of waste are clearly identified as waste categorize which separated as dry waste, wet waste, hazardous waste, recycled waste. If it is wet disposal, we requested Local government agencies to manage them according to the law. For grease, the company has an annual analysis in report.

Chemical handling activities, company has measures for safety in the use and allocation of chemical storage facilities. And there is a safety data sheet of chemicals clearly defined. In order to protect the safety of workers and protect the environment.

Energy and resource conservation activities, the company has a project to control and reduce the amount of energy consumption and resource such as electric, water, diesel, paper, and other Campaign through various media Including banners, e-mail, and other activities for employees to participate and to make employees realize the cost-effective use of energy, reduce use of copy machine to reduce the carbonation from toner and ozone gas. The company also promotes the use of double-sided paper again to reduce quantity use of paper and change format for document keeping by electronic storage to reduce paper.

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.

The company does not yet have information about greenhouse gas emissions data. While the company is on process of report preparing in the future.

### **3.4 Community Sustainable Development**

#### **Social policy and practice**

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 , Safety, Occupational health and Environment policy including CSR policy.

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 and cultivate awareness of employees at all levels to be responsible for all stakeholders.

The company also has a policy of management practices towards society, requiring executives to comply with the law and regulations related to Oil trading both onshore and offshore. And will not take any action to promote or encourage illegal practices. Adhere as our commitment to operate continuously concerned with social and environmental responsibility.

In 2020, 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, personal data protection as well as opposes all forms of corruption. As well as fair labor practices, so 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. Human Resources Policy and Human Resource Development, Personal Data Protection Policy and Social Media Usage Policy, etc.

In 2020, 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 and personal data protection measure of the complainant, owner of data and whistleblower. 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.

### **Social performance**

- **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 certified in the ISO 9001 quality management system standard to strengthen reliability of its operations, from ordering, receiving, and delivering to the customer.

- **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.

The company has prepared a statistical report of work-related accidents for the year 2020 in which the report does not appear to have any accidents caused by work within the organization. As a result, the required First aid case or Medical treatment case or The Lost Work Day Used case therefore company has Zero Incident record.

In 2020, during the 2019 coronavirus epidemic, the company adjusted the way employees work. And reduce the exposure of various objects such as registration in - out by scanning the face through the mobile application system. Face scanner for door opening and Alcohol dispenser in office entrance. Together, organizing coronavirus 2019 detection for all employees within the organization by leading hospitals, in order to proactively detect infection and prevent epidemics into society.

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.

- **Support employment in community sources and subsidize the community economy.**

The company invests in Pan Orient Energy (Siam) Limited ("POES"), which has been granted a petroleum exploration and production concession in Nakhon Pathom and Suphanburi provinces where labor is employed in the community area. We subsidized food and products from the community, which will increase revenue and



stimulate the economy. For the community and society, company has an support activity as children's day gifts to schools, budget to install CCTV in the village of Rang Phikul Sub -District to increase the safety of life and property of the community people. And during diffusion The COVID-19 epidemic has donated consumer items in the form of a health sharing box to the Ban Don Municipality. And budget support for the purchase of masks, hand sanitizers and disinfectants for people in various communities, etc.

In 2020, the company acquired 2 project of the Catering & Supply Management which increased not less than 100 people of skilled employment in local area, such as Lan Krabue District at Kamphaeng Phet Province. The company subsidize food and agricultural products from local and community on site. This is an economic contribution in the community during the COVID-19 epidemic.

- **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.

- **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. Therefore, Determined to have Customer satisfaction assessments which performed twice a year in the oil trading, total satisfaction of 93.06 %

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.

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 2020, the Company provided catering services to three customers (4 projects) with

the maximum service hours at 427,342 man-hours with zero incident, whether work accident, illness or food poisoning which occurs to the employees who provide services or the customers' employees.

- **Anti Corruption**

The company has a vision to practice under good governance, the company has improved the corporate governance policy, Code of Conduct Policy, and policies in accordance with the Anti-Corruption Policy. To intentionally focus on anti-corruption moment. The Board of Directors intends to take action against all forms of corruption, thus making the company ready to participate in apply for a certificate in A project to create a coalition for the Thai private sector in anti-corruption.

In 2020, the Board of Directors has expressed a concrete intention to against corruption by promoting and setting guidelines for directors, executives, employees, and stakeholders. Jointly adhere to sustainable anti-corruption practices. The company asks for cooperation from customers and partners to refrain from accepting any gifts or benefits according to festivals or customs. Including gift withdrawal and reception reimbursement, a gift acceptance report must be prepared or reimbursement of entertainment expenses as clearly defined by the policy guidelines as well as reviewing the procurement system to be transparent and fair. The company has regularly revised the policy to keep it current and add various measures to prevent corruption effectively. In this regard, the Company has conducted a business risk assessment and operational procedures that will create opportunities for corruption in various forms. And impose penalties for those who violate the Company's policies and regulations and communicated to executives and employees at all levels to acknowledge the anti-corruption practices of the company in accordance with the anti-corruption policy.

- **Participation in community and social development and environment concerned**

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. Which CSR policy determined participation in community development, education promotion, environmental protection and the reducing of energy consumption.

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 administration- 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. In addition, the company create awareness of natural resource conservation which had been done together with community to sustain marine and natural ecosystems.

**CSR activities in 2020.**

- "National Children's Day and Sports Activity", Sea Oil Public Company Limited in collaboration with Nathalin Group donated money, food, beverages and sports equipment to Pongploy Memorial School and Khlong Samrong School on 10 January 2020 to support children's day activities

- Donation activity to the Thai Red Cross Society Project " Thai Red Cross Society " by Sea Oil Public Company Limited on February 15 , 2020 at the Thai Red Cross Society, Bangkok and donated money to Songkla Nakarin Hospital, Songkhla Province on April 17, 2020, which the Company donate to Red Cross Society and Hospitals for COVID-19 (COVID-19) Epidemic Situation support.

- Donation to One Srinakarin Fund under the patronage of Her Royal Highness Princess Maha Chakri Sirindhorn Chakri Sirindhorn "by Sea Oil Limited (PLC) on 4 July 2020. In order to honor and appreciate the grace of Her Royal Highness Princess Maha Chakri Sirindhorn and help patients in Srinakarin Hospital.

- "Volunteer for breath of mangroves" Sea Oil Public Company Limited, in collaboration with the Nathalin Group on 18 September 2020 at Tambon Khlong Muang, Samut Songkhram Province with intended to support the restoration. Mangrove ecosystems are habitats for aquatic animals. placed to promote activities for the community

- Donation of medical supplies to the sanatorium Pa Makham Monastery by Sea Oil Public Company Limited on November 10, 2020 at the Pa Makham Monastery, Pak Chong District, Nakhon Ratchasima Province with intended to help bed-bound monk patient and supporting medical items for the monks.

