



**Khanom Electricity Generating Company Limited  
Conflict of Interest Policy and Guideline**

**Rationale**

The Board of Directors (“the Board”) of Khanom Electricity Generating Company Limited (KEGCO), a company in the EGCO group, has realized the conflict of interest in KEGCO can possibly harm the business interest due to personal interest, nepotism, and the use of inside information and position in the Company of KEGCO’s personnel. Henceforth, the Board determines to specify the Conflict of Interest Policy and Guideline (“the Policy”) for Directors, Executives, and employees with an intention to promote transparency and compliance to EGCO’s Good Corporate Governance Principles. The good and efficient conflict of interest management shall preserve and ensure KEGCO and EGCO Group’ best business interest.

**1. Objectives**

The Board defines the Policy following these objectives:

1. To preserve KEGCO and EGCO Group’ best interest;
2. To reinforce Directors, Executives, and employees to fairly perform their duty with transparency and integrity;
3. To implement efficient and constructive conflict of interest management framework;
4. To form the conflict of interest guideline for Directors, Executives, and employees following EGCO Group’s Good Corporate Governance Principle, relevant laws and regulations.

**2. Definition**

<b>The Company or KEGCO</b>	means Khanom Electricity Generating Company Limited
<b>EGCO Group or the Company in EGCO Group or the Group</b>	means Electricity Generating Public Company Limited, KEGCO, Subsidiaries, joint ventures, and EGCO associates
<b>The Board</b>	means the Board of Directors of KEGCO
<b>Director</b>	means an appointed person to be KEGCO’s director
<b>Managing Director</b>	means KEGCO’s Managing Director
<b>Executives</b>	means Managing Director, Plant Manager and Division manager
<b>Personnel</b>	means Directors, Executives and employees

**Related Persons**

means the following persons prescribed in the Article 89/1 of the old Securities and Exchange Act B.E. 2535 with any of the following relationships:

- (1) a person having control over the company and in cases of a juristic person, including the board of directors of the said juristic person;
- (2) the spouse, a minor child or an adopted minor child of the director, the executive or the person under (1)
- (3) a juristic person over which the person under (1) or (2) has control;
- (4) any other persons as specified in the notification of the Capital Market Supervisory Board.

When any person acts with understandings or agreement that if the company enters into any transaction which provides financial benefits for such person, the director, the executive or the person under (1) or (2) will also gain financial benefits, the said person shall be deemed as a related person for such particular transaction

**Conflict of Interest**

means the conflicting interest between personal, and KEGCO and EGCO Group aroused by the action, duty, and decisions of Directors, Executives, and employees, which can potentially be monetary or non-monetary. Those conflict of interests can possibly turn the decision to be unfair or bias due to their personal interest

**Inside Information**

means KEGCO and EGCO Group's confidential information which can be monetary, non-monetary, positive, or negative, retrieved from any business operation, situation or duty

**Supervisor**

means the head of each personnel position

**Report on Interest**

means a report for Directors and the Managing Director to disclose their personal and related person's interest; such interest has to be involved with the management of EGCO Group, and any other organizations where those are classified as shareholder, director, or executive.

For the Report on employee's Interest

means a report for Executives at department level and employees that is required to disclose their personal and related person's interest in any suppliers, partners, or

competitors for the Company's conflict of interest management matters

**Transaction**

means any direct or indirect acts which potentially form the acquisition or divestment of assets and/or rights e.g., trading, renting, leasing, service providing, financial supporting or receiving, issuing new securities as well as the rights of waiver

**3. Scope of Policy**

The Board prescribes the Policy to cover KEGCO, and the Policy is also applied to every business operation of personnel in every level of KEGCO. Moreover, the Policy shall come into effect from the beginning of employment term up until its termination.

It is the duty for personnel to be aware of their conflict of interest in every situation or business operation where they involve. It is their responsibility to make the Report on Interest by submitting to their supervisor or by following the instruction advised in the Policy.

**4. Conflict of Interest Prevention Policy**

Personnel shall adhere to the Good Corporate Governance Principles and perform its duty with transparency and integrity by taking KEGCO and EGCO Group' business interest into their duty following these policies:

- 4.1 Follow the Policy by avoiding the direct and indirect conflict of interest which may prevent the utmost interest of KEGCO and EGCO Group
- 4.2 Scrutinize before or during any business operation that may cause potential conflict of interest ensuring that KEGCO and EGCO Group business interest is reserved and protected at all cost.
- 4.3 Make a Report on Interest and a Report on Personal and Related Person's Securities Holding from the beginning of work at KEGCO
- 4.4 Regularly review and assess the personal conflict of interest; in case such conflict of interest is identified, the person shall amend the Report on Interest and submit to Corporate Affairs Division in a timely manner;
- 4.5 Beware of personal relationship with suppliers, partners, and competitors of KEGCO and EGCO Group where the potential conflict of interest may be aroused including juristic person in forms of personally owned company which has a potentiality of competition with EGCO Group's business
- 4.6 Directors, executives and employees of the Company are prohibited from making a personal advantage or give an advantage for the related person retrieved from the

business operation of KEGCO and EGCO Group which causes KEGCO and EGCO Group to lose benefits or cause a conflict of interest

## **5. Guideline for Preventing Conflict of Interest**

- 5.1 Directors, Managing Director, Executives, and employees shall inform the Company in a timely manner once said person or related person holds securities in any organization or involve in any transaction or any agreement-making process in which the direct or indirect conflict of interest of KEGCO or EGCO Group may be susceptible. Director, Executives and employees with such conflict of interest are obliged neither to receive the related documents nor to participate in discussion, voting, or decision making
- 5.2 In the beginning of the employment term with KEGCO, all personnel shall make a Report on Interest by disclosing the shareholders, director and executive position in suppliers, or partners of KEGCO and EGCO Group. Employees shall disclose to the group head and send the report to corporate affairs division. If there is any amendment regarding the information in report, employees are deemed to make change and send to corporate affairs division in a timely manner
- 5.3 Corporate Affairs Division shall send the summary of the Report on Interest to related divisions for consideration of the possibility of conflict of interest in any transaction. Related divisions are deemed to regularly scrutinize their transaction making for the prevention of such conflict
- 5.4 Directors and the Executive shall report their changes in securities holding every time of purchase, sale, transfer, or acceptance of transfer. The report shall include the securities' holding of spouse, cohabiting couple, minor children, and juristic person whose shares exceed thirty percent of total voting rights
- 5.5 If any person who has familial relationship with KEGCO personnel is willing to make a transaction with general trade agreement, such person is permitted to conduct with the prohibition of the use of EGCO's personnel influence. Such transaction shall have a fair-trade agreement and the Executives and employees are obliged to report of such relationship to the supervisor and corporate affairs division before participating in transaction and shall refrain from the consideration
- 5.6 Any business operation where executives or employees have the conflict of interest in which KEGCO or EGCO Group's suppliers or partners are involved; said person shall declare their conflict of interest to such suppliers or partners
- 5.7 Executives and employees who perform their duty as director, executives, or employees in KEGCO and EGCO Group shall be aware of conflicts of interest between the status of management and employees of the Company and holding the position of director or executive of the Company and EGCO Group
- 5.8 The recruitment process of new employees and the performance assessment of employee who has a personal relationship with KEGCO and EGCO Group personnel shall be

conducted with transparency and impartiality. KEGCO personnel shall not involve or use their influence to help any employee with the benefit of close relationship

- 5.9 Executives and employees are prohibited to apply for a loan from their subordinates, juristic persons, suppliers, partners, or competitors whose operation involves with KEGCO and EGCO Group except for loan application with financial institution
- 5.10 Executives and employees are prohibited from holding a position in a company that is considered competitive to KEGCO and EGCO Group both in forms of temporary and permanent employment or that is arousing the conflict of interest, except said person receives an order from their supervisors
- 5.11 In case of that executives or employees have an enquiry over their business operation where conflict of interest may arise, said person shall consult their supervisor or corporate affairs division to ensure the integrity and the best business interest of KEGCO and EGCO Group and prevent the personal conflict of interest with KEGCO and EGCO Group
- 5.12 If KEGCO and EGCO Group' personnel have an intention to violate or not comply with the Policy, consequently causing a damage to KEGCO and/or EGCO Group, the said person will face disciplinary actions.

The Policy shall be effective on April 1, 2022

Announced on March 15, 2022

  
(Thepparat Theppitak)  
Chairman

*An English version of the Conflict of Interest Policy and Guideline has been prepared from the Thai version. In the event of a conflict or a difference in interpretation between the two languages, the Thai version shall prevail.*