



**WE ARE  
CARBON  
NEUTRAL**

BANGKOK AVIATION FUEL SERVICES  
PUBLIC COMPANY LIMITED

## CONTENTS

	<b>02</b>	<b>05</b>	<b>07</b>	<b>08</b>
	<i>Vision Mission Core Value</i>	<i>Message from the President</i>	<i>General Information</i>	<i>Awards and Recognition in 2020</i>
<b>10</b>	<b>52</b>	<b>58</b>	<b>64</b>	<b>72</b>
<b>Section 1: Business Operation and Performance</b>	<i>2. Risk Management</i>	<i>3. Driving Sustainable Business</i>	<i>4. Management Discussion and Analysis (MD&amp;A)</i>	<i>5. General Information and Other Significant Information</i>
<i>1. BAFS Group Structure and Operation</i>				
<b>74</b>	<b>108</b>	<b>125</b>	<b>140</b>	
<b>Section 2: Corporate Governance</b>	<i>6. Corporate Governance Policy</i>	<i>7. Corporate Governance Structure and Significant Information Relating to Board of Directors, Subcommittees, Executives, Employees, and Others</i>	<i>8. Report on Corporate Governance Performance</i>	<i>9. Internal Control and Connected Transactions</i>
<b>180</b>	<b>252</b>		<b>287</b>	
<b>Section 3: Financial Statements</b>	<b>Enclosure</b>		<i>Enclosure 2: Details of Directors of Subsidiaries</i>	
	<i>Enclosure 1: Details of Board of Directors, Executives, Authorized Person, the Person Assuring Overall Responsibility in Accounting and Finance (CFO), Chief Accounting and Corporate Secretary</i>			
<b>289</b>	<b>291</b>	<b>296</b>	<b>297</b>	
<i>Enclosure 3: Details of the Chief Audit Executive and the Chief Compliance Officer</i>	<i>Enclosure 4: Operating Property and Details of Property Valuation</i>	<i>Enclosure 5: Corporate Governance Policy and Practices and Code of Conduct</i>	<i>Enclosure 6: Report of the Audit Committee</i>	

## Vision

Sustainability in  
Energy Services  
with Awareness  
of Quality Safety  
and Environment

02

## Core value

**B**

*Belief  
in Teamwork*

**A**

*Awareness  
of Safety  
Quality and  
Environment*

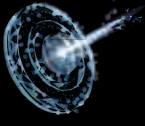



**F**

*Following  
Best Practice*

**S**

*Service  
with Our Heart*

## Mission

Shareholders	Customers	Business Partners	Employees	Society/ Community/ Environment	Regulators	Competitors
						
To conduct business to attain sustainable wealth and positive returns to shareholders consistently.	To deliver customer satisfactions by focusing on quality and utmost safety, in accordance to international standards.	To adhere to the Corporate Governance Codes, Collective Action Coalition against Corruption, and to strictly comply with the contracts and conditions as agreed.	To develop the employees to reach their highest potential, professionalism and ethics, and to adhere to the Corporate Governance Codes.	To be responsible for the society, community and environment, as stipulated in the sustainability framework.	To abide by the laws, regulations and other rules relevant to the business conduct, with accountability, virtue, and transparency.	To conduct business fairly in accordance with international practices, under the rules and regulations relating to trade.





## Message from the President



In 2020, the Coronavirus Disease 2019 (COVID-19) brought the tourism and aviation industries of the world and Thailand to a standstill. Various governments put strict measures on international travel restrictions, resulting in a decline of more than 60 percent in the aviation fuel volume, and a 52 percent decline in total revenue of BAFS GROUP. As a result, it is necessary for BAFS to focus on the financial risk management by imposing a policy to maintain cash liquidity and an adequate cash flow for BAFS GROUP's operations amid the situation at that time. Strict cost reduction measures, postponing investments in some projects, managing cash reserves from retained earnings and debentures, securing loans from financial institutions are some of the measures taken to reduce the impacts caused by volatility of cash flow and to generate sufficient fund for investment in requisite projects that would readily generate incomes. In addition, BAFS has systematically set the measures to prevent infection and epidemic of COVID-19 among its employees and monitoring the situation closely to ensure the readiness for operations and business continuity.

The severe impacts of COVID-19 outbreak had caused BAFS' negative financial result for the first time. Notwithstanding this and based on the good governance principles, efficient risk management, knowledge management towards innovation and sustainability management; BAFS could successfully execute the Growth Strategy in 2020 to strengthen BAFS GROUP's financial stability through the operations of its subsidiaries, namely; preparation for the investment in the new airport refuelling system; assembly, distribution and export of aircraft refuelling vehicles in the region by **BAFS Intech Company Limited**; innovation development and digital solution business by **BAFS Innovation Development Company Limited**; and the latest, the investment in solar power plants by **BAFS Clean Energy Corporation Company Limited** which enabling BAFS to realize earning of revenues from power plants which are already in full commercial operation.

For the northern fuel pipeline transportation project (NFPT), **Fuel Pipeline Transportation Limited** has completed the construction and operated for commercial

service at Phichit depot since June 2019. Whereas its Lampang depot is expected to be completed and commercial operation will commence in the third quarter of 2021. NFPT is a mode of fuel transportation which is a closed system. It prevents leaks of oil vapors, reduce CO<sup>2</sup> emissions and PM2.5 pollution. In addition, the fuel pipeline transportation is the safest mode of fuel transport and helps reduce accident rates, minimize road surface damages caused by fuel trucks, and more importantly, support community employment to achieve mutual sustainability.

At the same time, BAFS is certified as Carbon Neutral Company in alignment with its policy to carry environmental friendly business, underlining business approaches of BAFS GROUP.

Essentially, BAFS has laid a strong foundation for future business growth and enhanced sustainability for all its stakeholders, covering economic, social and environmental dimensions. BAFS is committed to being a role model as an energy service leader, operating business within the sustainability framework and creating positive impacts to give value for and to obtain the so-called license to operate from all its stakeholders. BAFS' business approach is consistent with and responsive to the United Nations' Sustainable Development Goals (SDGs),

On behalf of the Board of Directors, Management and employees of BAFS, I would like to extend our thanks to all stakeholders for the trust and supports given to BAFS' operations. I am confident that BAFS' business model based on good governance and sustainability principles and its growth strategy have made BAFS ready for the future world in transformation and a new generation of society. This will bring desirable results to all stakeholders and create positive impact for the business and for the country at large in term of economic, social and environmental dimensions. This, I believe, truly reflects the resilience and sustainability of our BAFS GROUP.

**Prakobkiat Ninnad**  
President





## General Information

(Unit : Million Baht)

Key Financial Status and Performance	2020	2019	2018	2017	2016
Services Income	1,804.3	3,872.4	3,754.3	3,581.3	3,564.7
Other Income	78.1	45.8	52.3	58.9	146.8
Total Revenue	1,882.5	3,918.2	3,806.6	3,640.2	3,711.5
Cost of Services	1,528.6	1,829.2	1,658.9	1,606.0	1,546.3
Gross Profit	275.7	2,043.2	2,095.4	1,975.3	2,018.4
Administrative Expenses	588.9	701.4	611.8	583.8	578.6
Profit before finance cost and income tax expenses	-235.0	1,387.6	1,535.9	1,450.4	1,586.6
Finance cost	281.1	196.3	139.4	160.3	131.2
Profit for the year	-418.9	967.4	1,110.2	1,028.5	1,172.3
Profit attributable to Equity holders of the Company	-374.3	939.9	1,050.6	970.6	1,097.1
Cash, cash equivalents and Current investments	804.6	2,038.5	2,179.0	2,064.6	4,363.5
Total Assets	19,465.8	17,345.8	16,290.4	12,414.4	12,157.8
Total Liabilities	12,698.4	9,482.0	8,437.4	4,844.7	4,786.6
Total Shareholders' Equity	6,767.4	7,863.8	7,853.0	7,569.7	7,371.2

### Key Financial Ratios

Gross Profit Margin	15.28%	52.76%	55.81%	55.16%	56.62%
Net Profit Margin	-22.25%	24.69%	29.17%	28.25%	31.59%
Return on Total Assets	-2.28%	5.75%	7.74%	8.37%	11.33%
Return on Total Equity	-5.73%	12.31%	14.40%	13.77%	17.99%
Total Liabilities to Total Equity (Times)	1.88	1.21	1.07	0.64	0.65
Book Value per share* (Baht)	10.62	12.34	12.32	11.87	11.56
Dividend per share (Baht)	0.00	1.25	1.37	1.25	1.50
Earning per share* (Baht)	-0.59	1.47	1.65	1.52	1.72

Notes: \* Calculation from the total common shares of 637.5 million shares



## Awards and Recognition in 2020



### Thailand Sustainability Investment (THSI)



BAFS was included in “a list of THSI sustainable stocks 2020” and awarded Thailand Sustainability Investment (THSI) Awards from the Stock Exchange of Thailand for the 6<sup>th</sup> consecutive year during 2015 - 2020 as a listed company conducting sustainable business based on environmental, social and governance (ESG) aspects. The ESG is deemed as another factor influencing investment decisions to be considered in parallel with the Company’s financial statement analysis. The ceremony was held on December 15, 2020 at the Stock Exchange of Thailand.

### Sustainability Disclosure Award 2020 from Thaipat Institute



BAFS received Sustainability Disclosure Award 2020 from Mr. Voranat Piantham, Director of Thaipat Institute, at the event entitled “The State of Corporate Sustainability in 2020”, held on December 22, 2020 at the Auditorium, Bangkok Art and Culture Centre. The award is given to a Thai listed company being assessed through its Sustainability Report that can disclose, other than financial information, the company’s roles and operations related to sustainable development in environmental, social and governance (ESG) aspects, thus benefiting the stakeholders while driving the company towards achieving long-term sustainability and the Sustainable Development Goals (SDGs).



### Certified Carbon Neutral Company



BAFS was certified as Carbon Neutral from Thailand Greenhouse Gas Management Organization (Public Organization). In 2019, BAFS emitted 5,449 tons of CO<sub>2</sub> equivalents, divided into direct GHG emissions of 1,893.63 tons of CO<sub>2</sub> equivalents, indirect GHG emissions of 3,511.60 tons of CO<sub>2</sub> equivalents, and other GHG emissions of 42.80 tons of CO<sub>2</sub> equivalents. To reduce environmental impacts arising from its operations, BAFS therefore offset its carbon footprint to net zero emissions as a commitment to achieving Goal 13 : Climate Action of the Sustainable Development Goals (SDGs).





### *Outstanding Organization Awards for 3 Operating Sites in 2020*

BAFS received National Outstanding Organization Awards for Safety, Occupational Health and Environment in 2020 for its three operating sites, namely Don Mueang Aviation Fuel Storage and Into-plane Refuelling Station (Head Office) for the 14<sup>th</sup> consecutive year, Suvarnabhumi Into-plane Refuelling Station for the 12<sup>th</sup> consecutive year, and Suvarnabhumi Aviation Fuel Storage Station for the 10<sup>th</sup> consecutive year.



### *Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) Membership Renewal*

BAFS has become a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) since 2014 and continued to renew its membership in 2017 and 2020. The certificate of membership is valid for 3 years.



### *Certificate of ESG100 Company and Inclusion in the Universe of SG100 Securities Group of 2020*

BAFS, as an organization engaging in the Global Initiative for Sustainability Ratings (GISR), received a "Certificate of ESG100 Company" from Thaipat Institute owing to its disclosure of information on risk management practices, future action plans, clear sustainability management and goals, and performance in all sustainability dimensions with linkage to the Sustainable Development Goals (SDGs). BAFS was also included in the Universe of ESG100 Securities Group of 2020.

## Section 1: Business Operation and Performance

### 1. BAFS Group Structure and Operation



BAFS'S Value Chain - Please scan the QR code

#### 1.1 Policy and Business Overview

Bangkok Aviation Fuel Services Public Company Limited (BAFS) was listed on the Stock Exchange of Thailand on April 4, 2002. Its core business includes aviation fuel storage system and aviation refuelling system provided at 5 airports: Don Mueang, Suvarnabhumi, Samui, Sukhothai and Trat. BAFS's major shareholders comprise Thai Airways International Public Company Limited (THAI) and many oil companies which are also BAFS's customers. BAFS recognizes values of aviation fuel quality and service punctuality and highest safety in accordance with international standards, thus enhancing confidence and satisfaction of the direct customer, which are THAI and oil companies, as well as airlines as indirect customers for more than three decades. This has proved its ability to operate its core business in a sustainable manner.

##### 1.1.1 Overview of Vision, Objectives, Goals, and Strategies of BAFS and BAFS Group

BAFS places importance on good corporate governance and transparency and accountability in conducting its business. Its mission and stakeholder engagement has led to the material aspects used in determining strategies and master plans for achieving its vision: **Sustainability in Energy Services with Awareness of Quality Safety and Environment.**

Based upon its vision, BAFS has focused on delivering balanced values to the stakeholders along the supply chain covering all economic, social and environmental dimensions, while strengthening its competitiveness through BAFS Group as follows:

1. Thai Aviation Refuelling Company Limited (TARCO) (BAFS holds a 90% stake) provides aviation fuel transportation through hydrant pipeline network at Suvarnabhumi Airport.
2. Fuel Pipeline Transportation Limited (FPT) (BAFS holds a 75% stake) provides aviation fuel storage and multi-product pipeline transportation service. FPT's pipeline starts from Chongnonsi refinery and fuel depot, then heads for Don Mueang Aviation Fuel Storage Station and ends at Bang Pa-in fuel depot. In addition, to serve the airlines at Suvarnabhumi Airport, there is the pipeline system from Makkasan to Suvarnabhumi Aviation Fuel Storage Station. FPT is also in the process of expanding its business under the northern multi-product pipeline transportation project following the resolution of the National Energy Policy Council (NEPC). The project can yield benefits to the government sector and enhance national energy security.



3. Intoplane Service Company Limited (IPS) (BAFS holds a 83.33% stake) provides labor contracting services for BAFS and subsidiaries.
4. BAFS Innovation Development Company Limited (BID) (BAFS holds a 100% stake) provides research, development and sale of products including licensing and innovation and technologies services.
5. BAFS INTECH Company Limited (BAFS INTECH) (BAFS holds a 90% stake) provides design, manufacturing and assembly services for refuelling trucks including licensing for inspection, repair and maintenance and innovation and technologies services.
6. BAFS Clean Energy Corporation Company Limited (BC) (BAFS holds a 100% stake) provides renewable energy and environmental business.

Apart from the aforementioned companies, BAFS has invested in the establishment of BPTG Company Limited (BPTG) (BAFS holds a 40% stake) that supplies and distributes petroleum products to general users in the areas of Pichit Depot, Lampang Depot and Kamphaeng Petch Booster Pump Station of the FPT.

## Objectives and Goals

BAFS group's nature of business is amid the rapidly changing business environment, including digital technology, intensifying natural disasters, social trends in environmental conservation, and especially COVID-19 pandemic that has spread across the world, thus causing the global economic recession and having a significant impact on the aviation industry as well as BAFS's core business. BAFS has therefore expedited its investment in other businesses to diversify risks arising from the dependence on a single revenue source as well as set two key objectives, comprising 1) to strengthen its competitiveness by expanding core businesses, related businesses and new businesses with the 43:47:10 ratio of revenue earned from its core businesses, related businesses, and new businesses, respectively, in the next five years, and 2) to maintain its sustainable business in order to achieve license to operate from all stakeholders by integrating the business risk management with the environment, the society and the corporate governance while setting goals that are consistent with the UN Sustainable Development Goals (UN SDGs). BAFS has established strategies to achieve robust and sustainable business as follows:

### 1. BAFS Group's Growth Strategy:

to create economic strength by expanding its core business within the country and Asia, a related business through its own investment or partnership in both fuel and electrical aircraft refuelling truck assembly and equipment business, a new business in digital innovation and software development, and a renewable energy and environment business.

### 2. Corporate Sustainability Strategy:

to create business values by taking into account the principles of good corporate governance, anti-corruption, and social and environmental impacts while providing its core business service with international standards in terms of punctuality and highest safety as well as preparing database on knowledge management to further develop future innovations.

### 3. Human Resource Management Strategy:

to adjust the organizational structure and work processes for greater agility and efficiency, enhance employee engagement through a people-centric approach to retain talented and skilled employees in support of BAFS Group's business growth.



### 1.1.2 Significant Changes and Developments

Bangkok Aviation Fuel Services Public Company Limited (BAFS) currently has registered capital of 637.497 million Baht and paid-up capital of 637.496 million Baht. BAFS was founded on December 30, 1983, with registered capital of 80 million Baht, pursuant to the Cabinet resolution to approve the establishment of the aviation refuelling project following the opinions and resolution of the Office of the National Economic and Social Development Council. At present, BAFS is the only company operating into-plane services for all aircraft types at Don Mueang International Airport through its 3 comprehensive systems - an aviation fuel service station system, an aviation fuel transportation via hydrant pipeline system, and an aviation refuelling system. BAFS's customers or users of refuelling service include the oil companies that sell jet fuel to airlines.

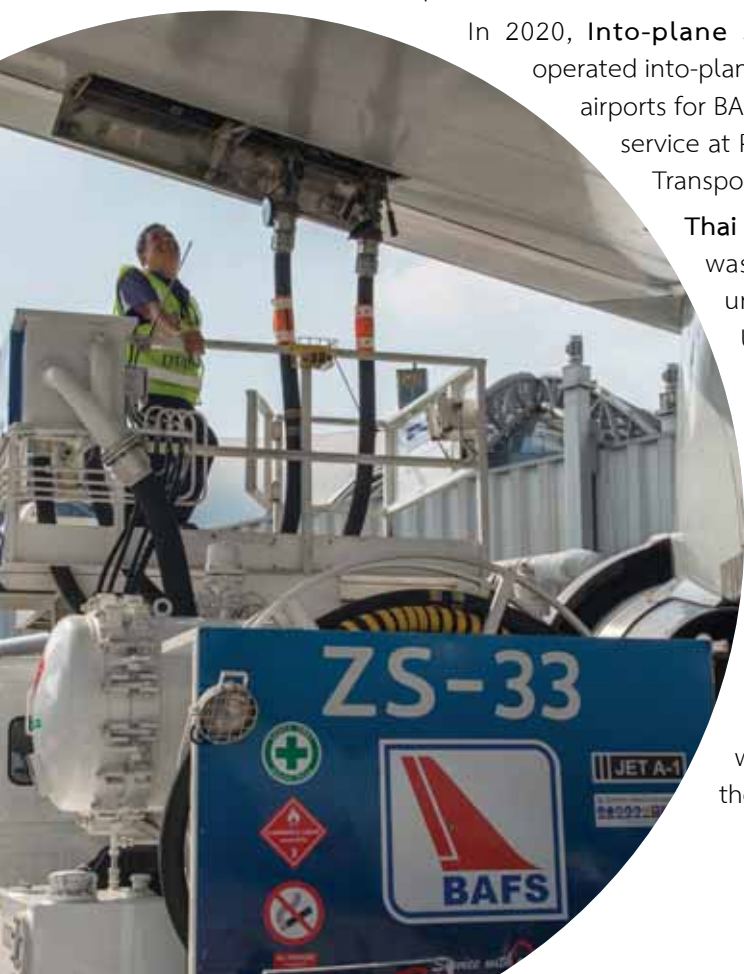
On September 28, 2006, flight operations were relocated from Don Mueang International Airport to Suvarnabhumi Airport. BAFS and subsidiaries provided comprehensive into-plane services in the same way as at Don Mueang International Airport. Later, to alleviate congestion at Suvarnabhumi Airport, AOT then encouraged low-cost carriers and airlines operating point-to-point domestic and international flights to move their operations back to Don Mueang International Airport since October 1, 2012.

Other than the services rendered at Don Mueang International Airport and Suvarnabhumi Airport, BAFS has provided aviation refuelling service for Bangkok Airways at 3 regional airports, namely Samui Airport, Surat Thani Province; Sukhothai Airport, Sukhothai Province; and Trat Airport, Trat Province. BAFS was awarded by Bangkok Airways Public Company Limited a license to operate aviation refuelling service at 3 regional airports. In the previous year, BAFS and subsidiaries were exposed to significant changes and developments as follows:

In 2020, **Into-plane Services Company Limited (IPS)**, a subsidiary, not only operated into-plane services at regional airports, namely Samui, Sukhothai, and Trat airports for BAFS, but also expanded its business by supporting pipeline system service at Pichit Depot and Kamphaeng Phet for the Northern Fuel Pipeline Transportation Project run by Fuel Pipeline Transportation Limited.

**Thai Aviation Refuelling Company Limited (TARCO)**, a subsidiary, was awarded by AOT a license to expand its investment and undertake the Project to Provide Aviation Fuel through the Underground Hydrant Pipeline System Phase 2 at Suvarnabhumi Airport. TARCO started the construction of hydrant pipelines and the installation of equipment in 2015, completed in 2019. To prepare for the commencement of service, TARCO has then carried out commissioning activities on fuel pipeline systems since November 2020, expected to be completed in the second quarter of 2021.

**Fuel Pipeline Transportation Limited (FPT)**, a subsidiary, has undertaken the Northern Fuel Pipeline Transportation Project Phase 1 (Bang Pa-In - Kamphaeng Phet - Pichit) by constructing fuel pipelines with a distance of 367 kilometers, while Pichit Depot was completed and commercially operated since June 2019. For the Project Phase 2 (Kamphaeng Phet-Lam Pang), FPT has constructed





fuel pipelines with a distance of 209 kilometers, while Lam Pang Depot is expected to be completed and operated in the third quarter of 2021.

In 2020, **BAFS Innovation Development Company Limited (BID)**, a subsidiary, expanded its comprehensive digital business covering software, equipment and digital infrastructure, and blockchain and AI technologies by developing Intelligent Refuelling Information System (IRIS), Fuel Inventory Management System (FIMS) and Enterprise Project Management Solution (EPMS). BID also invested in the shares of the companies operating IT Infrastructure & Hardware and jointly established companies to provide blockchain and AI technologies. In 2021, BID has a plan to find new customers by participating in the competition of digital projects of government agencies, e.g. the projects according to the Digital Master Plan of Bangkok Metropolitan Administration while driving innovation projects to create products and services that can be introduced to the market, e.g. the installation of aviation refuelling robots to the refuellers to carry out commissioning as a proof of concept of such technology.

In 2020, **BAFS INTECH Company Limited (BAFS INTECH)**, a subsidiary, undertook various projects for BAFS, for example, the assembly of electric hydrant carts to be used at Don Mueang International Airport, the procurement of eV hydrant dispensers from Spain, scheduled to be delivered in mid-2021. For overseas assembly of refuellers, BAFS INTECH assembled magnus refuellers for Golden Myanmar Airlines PLC. in Myanmar. BAFS INTECH was also appointed to be a dealer of GENE BRE valves made in Spain.

In 2021, **BAFS Clean Energy Corporation Company Limited (BC)**, a subsidiary founded on March 5, 2020, acquired a business solar power plant, started commercial operation date, in Thailand with 3 companies that own 7 power plants with total installed capacity of 36.4 MW. BC has also plan to expand investment oversea in the future.

#### 1.1.3 Crowdfunding

- None -

#### 1.1.4 BAFS's Obligations as Stipulated in the filing form

- None -

### 1.1.5 General Information

Bangkok Aviation Fuel Services Public Company Limited	
Head Office	171/2 Kamphaeng Phet 6 Road, Don Mueang, Don Mueang, Bangkok 10210 Tel : 0 2834 8900 Fax : 0 2834 8999 Website : www.bafsthai.com

Type of Business	Storage and Aircraft Refuelling Services
Registration Number	0107538000487
Registered Capital	637,496,657 shares, 1 Baht per share, total 637,496,657 Baht
Paid-up Capital	637,496,153 shares, 1 Baht per share, total 637,496,153 Baht

14

References	
Securities Registrar	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel : 0 2009 9999 Fax : 0 2009 9991

Auditor	EY Office Company Limited 33 <sup>rd</sup> Floor, Lake Rajada Office Complex, 193/136-137, Rajadapisek Road, Klongtoey, Bangkok 10110 Tel : 0 2264 0777 Fax : 0 2264 0789-90
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## 1.2 Business Characteristics

### 1.2.1 Revenue Structure

BAFS generates its revenue from the following:

1. Revenue from aviation fuel storage system, aviation refuelling system, aviation fuel transportation via hydrant pipeline system and fuel transportation via pipeline system services
2. Income from property leasing
3. Other revenues

#### Revenue Proportion for Each Business Group

BAFS's Annual Revenue Structure (by Business Categories) during 2018 - 2020

(Unit : million Baht)

Product Line/ Business Group	Operated by	% of BAFS's Shareholding	2018		2019		2020	
			Amount	%	Amount	%	Amount	%
1. Service Revenue	BAFS		2,375.07	62.39	2,481.89	62.73	949.21	50.12
	TARCO	90%	658.24	17.29	658.16	16.64	253.52	13.39
	FPT	75%	720.87	18.94	727.88	18.40	566.18	29.90
	IPS	83.33%	0.00	0.00	0.00	0.00	0.05	0.00
	BID	100%	0.00	0.00	0.00	0.00	0.13	0.01
	BI	90%	0.16	0.00	4.51	0.11	35.22	1.86
2. Property leasing revenue	BAFS		12.45	0.33	12.99	0.33	13.00	0.69
	FPT	75%	1.00	0.03	1.69	0.04	2.24	0.12
3. Other Revenues <sup>1/</sup>			38.81	1.02	69.05	1.75	74.27	3.91
<b>Total</b>			<b>3,806.60</b>	<b>100.00</b>	<b>3,956.17</b>	<b>100.00</b>	<b>1,893.82</b>	<b>100.00</b>

Remark: <sup>1/</sup> Other revenues include revenue from other services and revenue from other types of investments such as interest receivables.

BAFS Group's total revenue in 2020 was 1,893.82 million Baht, a decrease of 2,062.35 million Baht or 52.1% compared to the total revenue in the previous year. Service revenue was 2,068.14 million Baht, a decrease of 2,068.13 million Baht or 53.4% affected by the COVID-19 outbreak.



## Performance Summary during 2020

### 1. Aviation Fuel Storage Service

#### Suvarnabhumi Airport

In 2020, BAFS stored Jet A-1 fuel for aircraft refuelling at Suvarnabhumi Aviation Fuel Storage Station (BKK Depot) in 5 fuel storage tanks with total capacity of 75 million liters<sup>1)</sup>. The volume of fuel reserve was approximately 3 times of the aircraft refuelling daily volume.

The total volume of Jet A-1 fuel received from oil companies was 1,806.3 million liters, of which 582.51 million liters and 1,223.74 million liters were separately transported via pipelines of Fuel Pipeline Transportation Limited (FPT) and Thai Petroleum Pipeline Co., Ltd. (THAPPLINE), respectively. The ratio of FPT to THAPPLINE was 32 : 68.

Performance Summary of Suvarnabhumi Aviation Fuel Storage Station (BKK Depot)	Year 2020 (Million Liters)	Year 2019 (Million Liters)	Increase (Decrease) %
Total volume of fuel received	1,806.3	4,747.9	-62.0
Average volume of fuel received per day	4.94	13.00	-62.0
Average volume of fuel received from FPT per day	1.60	5.12	-68.8
Average volume of fuel received from THAPPLINE per day	3.34	7.88	-57.6

Remark: <sup>1)</sup> There are 8 fuel storage tanks at the Suvarnabhumi Aviation Fuel Storage Station with total capacity of 105 million liters. Fuel Pipeline Transportation Limited (FPT), BAFS's subsidiary, has rent 3 of them.

#### Don Mueang International Airport

In 2020, BAFS stored Jet A-1 fuel for aircraft refuelling at Don Mueang Aviation Fuel Storage Station (DMK Depot) in 3 fuel storage tanks with total capacity of 21 million liters.

The total volume of Jet A-1 fuel received from oil companies was 514.9 million liters, of which 111.6 million liters and 403.3 million liters were separately transported via pipelines of Fuel Pipeline Transportation Limited (FPT) and Thai Petroleum Pipeline Co., Ltd. (THAPPLINE), respectively. The ratio of FPT to THAPPLINE was 22 : 78.

Performance Summary of Don Mueang Aviation Fuel Storage Station (DMK Depot)	Year 2020 (Million Liters)	Year 2019 (Million Liters)	Increase (Decrease) %
Total volume of fuel received	514.9	1,374.2	-62.5
Average volume of fuel received per day	1.41	3.76	-62.5
Average volume of fuel received from FPT per day	0.30	0.62	-51.6
Average volume of fuel received from THAPPLINE per day	1.10	3.14	-65.0

## 2. Aviation Fuel Service

### 2.1 Aviation Refuelling Service

#### Suvarnabhumi Airport

##### JET A-1

Jet A-1 refuelling service was provided in total for 1,603 million liters or 134 million liters per month on average. It was refueled to 71,424 flights in total or 5,952 flights per month on average.

#### Don Mueang International Airport

##### JET A-1

Jet A-1 refuelling service was provided in total for 519.7 million liters or 43 million liters per month on average. It was refueled to 66,312 flights in total or 5,526 flights per month on average.

##### AVGAS

AVGAS refuelling service was provided in total for 61,540 liters or 5,128 liters per month on average. It was refueled to 401 flights in total or 33 flights per month on average.

### 2.2 Aviation Defuelling Service

#### Suvarnabhumi Airport

Jet A-1 defuelling service was provided to airlines in total for 0.87 million liters or 0.07 million liters per month on average. The service was provided to 72 flights in total or 6 flights per month on average.

#### Don Mueang International Airport

Jet A-1 defuelling service was provided to airlines in total for 0.79 million liters or 0.07 million liters per month on average. The service was provided to 73 flights in total or 6 flights per month on average.

### 2.3 Number of Flights Serviced

In 2020, the number of airlines' flights that received BAFS's aviation refuelling service at Don Mueang International Airport and Suvarnabhumi Airport was 137,736 flights in total, which was a decrease of 169,448 flights or 55.2% from 2019. Meanwhile, the fuel volume provided for aviation refuelling at both airports was 2,123 million liters, which was a decrease of 3,489.7 million liters or 62.2% from 2019.

Flight	Year 2020	Year 2021	Increase/Decrease (%)
<b>At Suvarnabhumi Airport</b>			
<b>Domestic Flight</b>			
Number of Flights	29,960	42,341	-29.2
Fuel Volume (Million Liters)	208.3	326.5	-36.2
<b>International Flight</b>			
Number of Flights	41,464	135,893	-69.5
Fuel Volume (Million Liters)	1,395.0	3,909.9	-64.3
<b>At Don Mueang International Airport</b>			
<b>Domestic Flight</b>			
Number of Flights	55,702	74,339	-25.1
Fuel Volume (Million Liters)	345.0	451.1	-23.5
<b>International Flight</b>			
Number of Flights	10,610	54,611	-80.6
Fuel Volume (Million Liters)	174.7	925.2	-81.1
<b>Total</b>			
Number of Flights	137,736	307,184	-55.2
Fuel Volume (Million Liters)	2,123.0	5,612.7	-62.2

Remark: \* BAFS's fuel volume provided for aviation refuelling

## 1.2.2 Information of Products and Services

### 1. Characteristics of Services and Innovation Development

As Thailand's largest aviation fuelling service provider, Bangkok Aviation Fuel Services Public Company Limited (BAFS) and subsidiaries have invested and operated their businesses in Thailand's main airports, covering the areas of into-plane fuelling, airport fuel storage, and hydrant systems services. BAFS has invested in the fuel pipeline transportation business outside the airports. Apart from the aviation fuelling services as its core business, BAFS also generates revenue from property rentals and utility services relating to the core business. In 2020, an overview of the significant changes can be summarized as follows:

#### 1.1 Aviation Fuelling Services

In the aviation fuelling service business, fuel trading companies compete for winning aviation fuel tenders from airlines. Once the contract has been awarded, the fuel trading company shall procure fuel and hire fuel handlers to transport fuel to BAFS's joint depots. Then, BAFS shall provide into-plane fuelling services to airlines as agreed. Although BAFS has invested in and

provided into-plane fuelling services, it is not the fuel trader. In fact, BAFS is the company that selects and grants the rights to qualified fuel traders who are able to ensure sufficient fuel supplies for the airports, in order to maintain operational stability and ensure energy security for airlines. BAFS's nature of business is a key driver for free competition among fuel traders and airlines, to create an efficient price mechanism as well as to increase bargaining power and choices for airlines. Currently, there are 2 types of fuel products as follows:

- 1) Aviation Turbine Fuel, which is designed for use in turbofan engines, produces high thrust at maximum efficiency. At present, BAFS provides aircraft with this type of engine with airport fuel storage and into-plane fuelling services of Jet A-1 fuel only.
- 2) Aviation Gasoline (AVGAS) is designed for use in piston engine aircraft including pilot training aircraft and small private jets. At present, there is a low demand for this fuel type and BAFS only provide this product at Don Mueang International Airport.

The scope of services based on work systems can be divided into 3 categories as follows:

#### **1.1.1 Into-plane Fuelling Services**

Large-scale investments are crucial for the into-plane fuelling service business since the refuellers and equipment are expensive. In addition, the into-plane fuelling services shall be operated in compliance with regulations and highest international quality standards for safety reasons.

BAFS has established work procedures and instructions for providing into-plane fuelling services in accordance with the Aviation Fuel Quality Control and Operating Standards for Into-Plane Fuelling Services (JIG 1), the standards for oil companies worldwide which were endorsed by the International Air Transport Association (IATA). BAFS's working philosophy is to ensure international quality standards, highest safety, punctuality and environmental friendliness. Moreover, BAFS has been certified for the ISO 9001:2015 Quality Management Systems and the (ISO 45001:2018) Occupational Health and Safety Assessment Series.

Currently, BAFS has invested and been operating in 5 airports: Suvarnabhumi, Don Mueang, Samui, Sukhothai, and Trat. In 2020, there were some changes in the business at each airport, as follows:

##### **1) Suvarnabhumi Airport**

Suvarnabhumi Airport is one among six airports that have been operated by Airports of Thailand PCL and the major airport providing 24-hour service with highest number of flight services and passengers. BAFS is one of the two companies that have been awarded a 20-year concession to provide the into-plane fuelling services at Suvarnabhumi Airport, starting the operation on September 28, 2006, the same date as the official opening of Suvarnabhumi Airport. Currently, there are 9 fuel suppliers and jet A-1 is the only type of fuel that BAFS receives from fuel suppliers for into-plane fuelling services.



Suvarnabhumi Airport's refuelling was designed to be operated by hydrant systems, which lie underneath the apron throughout the airport. Currently, BAFS uses fuel dispensers for refuelling service and refuellers for defuelling service only.

In 2020, Suvarnabhumi Airport served 152,614 flights, which was a decrease of 59.8 percent from the previous year. In addition, BAFS provided the into-plane fuelling services for 71,424 flights, which was a decrease of 59.9 percent with an average of 195 flights per day. The total refuelling volume was 1,603 million liters per year at an average of 4.4 million liters per day, which was a decrease of 62.1 percent, making a total of 87.4 percent in market share.

**Number of Flights and Jet A-1 Refuelling Volume under Observed Temperature  
At Suvarnabhumi Airport during 2018 - 2020**

Year	Number of Refuelling Flights (flights per year)	Refuelling Volume (million liters per year)
2020	71,424	1,603
2019	178,234	4,236
2018	172,446	4,219

**2) Don Mueang Aviation Refuelling (DMK Into-plane)**

Previously, at Don Mueang International Airport, oil companies were in charge of fuel transport, depot and refuelling by themselves. However, after the oil shortage crisis, they were unable to provide a sufficient amount of aviation fuel, resulting in higher prices. In 1983, BAFS was therefore established according to the Cabinet resolution and was granted the right to be the sole into-plane fuelling service provider in order to support the National Policy on the development of Thai airport system capacity that meets international standards and reinforces energy security for airports and airlines

Continuous growth in the aviation industry has allowed the Airports of Thailand Public Company Limited (AOT) to increase its investment in a new airport to increase capacity to handle the air transport demand and enhance competitiveness in the region in response to the increased demand of airlines. In 2006, most of the flights were relocated to Suvarnabhumi Airport, which was initially designed to accommodate 45 million passengers a year. However, there was a continuous increase in the number of passengers and flights. Thus, AOT decided to reopen Don Mueang International Airport for full commercial operations to ease air traffic congestion at Suvarnabhumi Airport according to the government policy. From October 1, 2012, Don Mueang International Airport has operated 24 hours a day and served as the operating base for low cost carriers (LCCs).

Currently, there are 9 fuel suppliers at Don Mueang International Airport. Besides Jet A-1 fuel refuelling service, BAFS also provides AVGAS refuelling service, for which the demand is very low and thus only available at Don Mueang International Airport, for which BAFS uses both dispensers and refuellers. The refuellers are used for the refuelling

service at parking bays where hydrant systems are not installed such as the remote parking area and the area in front of the cargo terminal, and they are also used for the defuelling service.

In 2020, there were 133,307 flights at Don Mueang International Airport, which was a decrease of 51.1 percent, and 66,312 flights used the refuelling service, which was a decrease of 48.6 percent. There were 13 scheduled airlines, 12 of which were low-cost airlines. BAFS provided the into-plane fuelling services for a total of 177 scheduled and non-scheduled airlines, an average of 181 flights per day. The refuelling volume totaled 520 million liters per year, an average of 1.4 million liters per day, which was a decrease of 62.2 percent from the previous year.

**Number of Flights and Jet A-1 Refuelling Volume under Observed Temperature  
At Don Mueang International Airport during 2018 - 2020**

Year	Number of Refuelling Flights (flights per year)	Refuelling Volume (million liters per year)
2020	66,312	520
2019	128,950	1,376
2018	131,074	1,240

21

**3) Regional Airports**

BAFS is the sole aviation fuelling service provider at 3 regional airports, namely Samui, Sukhothai, and Trat, which are owned and operated by Bangkok Airways Public Company Limited (BA). BAFS has been awarded a 25-year concession to provide the aviation fuelling services for all flights operated by all airlines at the 3 airports. Currently, there is only 1 out of the 9 authorized fuel suppliers at the airports. BAFS only uses refuellers for both the refuelling and defuelling services at Samui, Sukhothai, and Trat airports, which are sufficient to handle the flights at each airport.

**Number of Flights and Jet A-1 Refuelling Volume under Observed Temperature  
At Regional Airports during 2018 - 2020**

Year	Number of Refuelling Flights (flights per year)	Refuelling Volume (million liters per year)
2020	1,851	4.9
2019	6,669	23.6
2018	8,364	25.9

### 1.1.2 Hydrant Systems Service

Currently, Suvarnabhumi Airport and Don Mueang International Airport are operating fuel hydrant systems for their into-plane fuelling services. The Jet A-1 fuel from the airport depots is transported by hydrant pumps through the hydrant pipelines network, which lies underneath the parking bays. Then, the Jet A-1 fuel is delivered from hydrant pit valves to the aircraft by the dispensers. These dispensers are equipped with meters, filter water separators, and control valves to control appropriate fuel flow rate into the aircraft. Also, hydrant control systems, leakage monitoring systems, and emergency shutdown systems are installed at every parking bay. When the emergency shutdown button is activated, it will send a signal by the SCADA system through the fiber optic cable to immediately close the valve at a particular section, thereby ensuring safety and service efficiency. However, in 2020, there were some changes as detailed below.

#### 1) Suvarnabhumi Airport

The hydrant system at Suvarnabhumi Airport is operated by Thai Aviation Refuelling Company Limited (TARCO), in which BAFS and AOT hold 90 percent and 10 percent shares, respectively. TARCO has been awarded a 30-year concession from AOT to construct and operate the hydrant system that is connected to BAFS's Suvarnabhumi Airport Depot (BKK Depot), which is located outside the airport, where the Jet A-1 fuel supply is transferred to 120 aircraft parking bays in the airport by using the TARCO hydrant system. The Suvarnabhumi Airport Development Project Phase 2, which is aimed at increasing airport capacity from 45 million passengers per year to 60 million passengers per year, by constructing the Midfield Satellite Building 1 to support the extra of 15 million passengers per year and its adjacent apron to accommodate 28 contact gates, of which 20 for Boeing 747-400 (Code E) and 8 for A-380 aircraft (Code F). In this project, TARCO has been awarded the concession from AOT to construct and operate the hydrant system. The pipeline construction started in 2015 and is expected to be completed in 2021. According to the Suvarnabhumi Airport Development Project Phase 3, the third runway and the second passenger terminal will be constructed to accommodate 90 million passengers and it is expected to be completed by 2021.

#### 2) Don Mueang International Airport

BAFS is the sole tenant and operator of the hydrant system at Don Mueang International Airport in which AOT made investments and is responsible for maintenance of the whole system.

The Cabinet approved the promotion of Suvarnabhumi Airport's position as a regional hub airport operating full-service flights and connecting flights and Don Mueang International Airport's position as LCCs hub for domestic and international point-to-point flights in order to maximize utilization of the 2 airports. Most airlines, which operate at

Don Mueang International Airport, serve short-haul flights with a high flight frequency and less fuel consumption per flight and a need for a quick service due to a short turnaround time.

Currently, the LCCs market is rising sharply in both routes and flight frequency due to high competition in pricing to attract passengers. As a result, a refuelling volume has been increased continuously. In addition, AOT has implemented the Don Mueang International Airport Development Project Phase 3 (2017 - 2025) which will reach the ultimate capacity of Don Mueang International Airport to handle up to 40 - 50 flights per hour. The project includes the construction of 12 aircraft parking bays and connecting taxiways for the aircraft code C and the construction of 4 remote aircraft parking bays to accommodate the aircraft Code A or B, and 32 remote aircraft parking bays for the aircraft Code C. Such development project is expected to be completed within 2025.

### **1.1.3 Airport Fuel Storage Services**

BAFS provides aviation fuel storage services to all fuel suppliers at the airports. All fuel suppliers are responsible for supplying and transporting certified fuel products to BAFS's airport depots before being distributed to the airport and then to the aircraft. BAFS controls fuel quality according to the Aviation Fuel Quality Requirement for Jointly Operated System (AFQRJOS) and established storage operating procedures according to the Aviation Fuel Quality Control and Operating Standards for Airport Depots and Hydrants (JIG 2), issued by the Joint Inspection Group. In addition, BAFS is responsible for preparing records of fuel receipt and distribution and inventory reports for all fuel suppliers. The fuel inventory of each supplier depends on the proportion of their sales volume, while they have to reserve sufficient refuelling volume for their airline customers. In 2020, there were some changes as detailed below:

#### **1) Suvarnabhumi Airport Depot (BKK Depot)**

BAFS invested in Suvarnabhumi Airport Depot (BKK Depot) located outside the airport in Bang Saethong District, Samut Prakan Province. Therefore, the operation can continue sustainably without limitation on the airport concession. The fuel storage facilities consist of 11 hydrant pumps with a maximum capacity of 5,500 cubic meters per hour. For safety reasons in engineering, the control of constant pressure systems can ensure the same quality standards of fuel transported to the airport and identify a source of fuel for insurance purposes. BAFS's BKK Depot is then the only airport depot that is directly connected to the hydrant system of TARCO. Currently, BKK Depot has 5 fuel storage tanks with 15 million liters capacity each, totaling 75 million liters capacity and accounting for an average of 17 days of fuel reserves for the airport. However, due to the COVID-19 outbreak situation, the fuel distribution volume was dropped to 4.4 million liters per day or a decline of 62.1 percent. Moreover, there are 3 intermediate tanks with 10 million liters capacity each, totaling 30 million liters capacity, to check the quality of fuel



transported through the pipeline systems of Fuel Pipeline Transportation Limited (FPT) before being distributed to the Airport Depot. Therefore, BKK Depot has aviation fuel reserves of 105 million liters in total which receives aviation fuel from 2 pipeline routes only: pipelines of FPT and Thai Petroleum Pipeline Company Limited (THAPPLINE).

**Jet A-1 Fuel Receipt and Distribution Volume under Observed Temperature  
At Suvarnabhumi Airport Depot during 2018 - 2020 (Unit: Million Liters)**

Year	Fuel Receipt Volume	Fuel Distribution Volume
2020	1,806.2	1,834.5
2019	4,747.9	4,762.4
2018	4,759.8	4,762.9

**2) Don Mueang Airport Depot (DMK Depot)**

Since 2013, AOT's reopening of Don Mueang International Airport for full commercial operations in parallel with Suvarnabhumi Airport according to the government policy, has resulted in a considerable growth in flights and demands for into-plane fuelling services which also tend to increase continually every year. Currently, Don Mueang Airport Depot (DMK Depot) has 4 fuel storage tanks with a total capacity of 31 million liters and 2 hydrant pumps with a capacity of 270 cubic meters per hour each, and 1 jockey pump with a capacity of 70 cubic meters per hour.

In 2020, DMK Depot had Jet A-1 fuel reserve volume for 21 days as the average fuel distribution volume per day was reduced to 1.4 million liters per day or a decline of 62.2 percent due to the COVID-19 outbreak. DMK Depot receives aviation fuel from 2 pipeline routes: pipelines of FPT and THAPPLINE.

**Jet A-1 Fuel Receipt and Distribution Volume under Observed Temperature  
At Don Mueang Airport Depot during 2018 - 2020 (Unit: Million Liters)**

Year	Fuel Receipt Volume	Fuel Distribution Volume
2020	514.9	519.7
2019	1,374.2	1,376.3
2018	1,237.9	1,239.7

### 3) Regional Aviation Fuel Services Stations

Besides the large-scale airports, BAFS is capable of providing services to small-scale airports. BAFS invested in 3 regional aviation fuel services stations owned and operated by Bangkok Airways Company Limited (BA): Samui, Sukhothai, and Trat airports.

BAFS operates the same business model at Sukhothai and Trat airports, where daily flight frequency and refuelling volume are quite low. BAFS invested in the construction of a fuel storage tank with 25,000 liters capacity to receive aviation fuel that is transported by tank trucks. Unlike Samui Airport which is a larger airport located on an island, aviation fuel is transported by tank trucks boarding the ferry from Surat Thani Province and stored at BAFS's Aviation Fuel Services Station. Therefore, BAFS must ensure sufficient fuel reserves by building 3 fuel storage tanks with a total capacity of 1.05 million liters to reduce the risk of business disruption especially in case of natural disasters such as heavy storms which may cause interruptions to the ferry service.

**Jet A-1 Fuel Receipt and Distribution Volume under Observed Temperature  
At Regional Aviation Fuel Services Stations during 2018 - 2020 (Unit: Million Liters)**

Year	Fuel Receipt Volume	Fuel Distribution Volume
2020	4.6	4.9
2019	23.7	23.6
2018	25.7	25.9

### 1.2 Pipeline Transportation Services

BAFS expanded its investment in a pipeline transportation system business by holding shares in FPT, to provide multi-product pipeline transportation services in which aviation fuel is transported by an underground pipeline from the Refinery of Bangchak Corporation Public Company Limited, the Oil Terminal of Shell Company of Thailand Limited, and the Oil Terminal of Chevron (Thailand) Company Limited, located in Chongnonsri, then to the DMK Depot. The ground products including diesel and gasoline are also transported in the same pipeline with a total length of 69 kilometers, which are at the Bang Pa-In Terminal, Phra Nakhon Si Ayutthaya Province, before distribution. For the BKK Depot, aviation fuel is transported by the pipeline departing from the same route and connecting to the main pipeline at the Makasan Control Station. The total length of pipeline from Makasan to Suvarnabhumi Airport is 30 kilometers in total.

FPT also expanded its fuel pipeline transportation system to the north, connecting the Bang Pa-In Terminal, Phra Nakhon Si Ayutthaya Province to the Pichit Depot and the Lampang Depot, with a total length of 569 kilometers. This project helps strengthen the stability of the country's energy reserves and also reduces fuel truck accidents and greenhouse gas emissions

that cause global warming. This is the critical for infrastructure of the country in support of the ASEAN Economic Community (AEC) expansion in the future. The project construction in phase 1 from Bang Pa-In Terminal to Pichit Depot with a length of 367 kilometers was completed and operated since June 2019. Pichit Depot's total capacity is 70 million liters. The total volume of fuel transported through pipelines until December 2020 was 467 million liters. The project phase 2 (Kamphaeng Phet - Lampang) has reached 95.58% progress, expected to be completed by the second quarter of 2021 and operated by the third quarter of 2021.

### **1.3 Refueller Manufacturing and Assembly Business**

BAFS has foreseen investment opportunities that will strengthen its core business by entering into a joint venture with Uniwave Company Limited to establish a new company called "BAFS INTECH Company Limited" (BAFS INTECH), in which BAFS holds a 90 percent stake, to design, manufacture, and assemble refuelling vehicles and ground services equipment, with the registered capital of 60 million Baht. The company manufactures and assembles hydrant dispensers, refuellers and hydrant carts, both diesel-powered and battery electric vehicle (BEV). At present, BAFS INTECH has ability in assembling refuelling vehicles and also provides after-sales services including repair and maintenance of different types of refuelling vehicles and ground services equipment relating to aviation fuelling services. In addition to supporting BAFS on refuelling vehicles which have already been in service, BAFS INTECH has also targeted other into-plane service providers in the ASEAN countries, such as the Lao People's Democratic Republic, Cambodia, and Myanmar, where the company's long-outstanding expertise in the aviation fuel business would be utilized to respond to the holistic needs of the customers. Moreover, BAFS INTECH is able to offer comprehensive service packages comprising of a refuelling vehicle, and after-sales services, which include maintenance and refuelling safety training. In the future, BAFS INTECH sets its goals to become the leader in refuelling vehicle assembly that meets the international quality standards through advanced engineering skills and expertise while adopting high safety innovations to all airports worldwide in an appropriate manner.

### **1.4 Product Development, Design, Manufacturing and Distribution Business**

BAFS established BAFS Innovation Development Company Limited (BID) with an aim to create innovative products and services that can truly respond to the customer needs while elevating the community's standard of living, the society's pleasant life, and the flawless environment, by applying technologies based on human-centered design and a Circular, Lean, Inclusive and Clean (CLIC) economic model. BAFS has foreseen digital business growth opportunities from the COVID-19 outbreak situation which serves as a crucial variable for digital transformation or an increase in the use of technologies in various business processes to enhance organizational robustness in coping with the COVID-19 crisis and other crises. Therefore, BAFS invested in BID by increasing registered capital from 5 million Baht to 70 million Baht to support BID's comprehensive digital solutions business in order to cater to the needs of public and private agencies for their move towards digital transformation, thus increasing income ratio in other businesses under BAFS Group's growth strategy.



BID is currently developing many innovation and digital projects such as the project to promote and support BAFS's major activities as follows:

1. Red Eye Fatigue Driver Monitoring - a refueller driving detection and record system whereby different types of cameras and sensors are installed inside and outside the refueller to detect whether the driving is safe and within the specified criteria or not. The system will alert both a driver and a control officer as well as record a picture in case of unusual driving or driving above the acceptable limit.
2. Chemical Water Detector - a device to check water level in aviation fuel to assure that the fuel distributed to each flight is water-free since such water may convert into ice during flight operations and block aircraft mechanism, thus causing an accident. This has been developed to replace the existing device which must be ordered from abroad and is costly.
3. Aviation Fuel Blockchain - a jet fuel tax refund system for international flights by means of Blockchain technology adopted to the jet fuel tax refund process of the oil companies, the Customs Department, the the Excise Department, and the Revenue Department to shorten time and errors of the process as well as help drive the country towards the complete Digital Transformation era.
4. Intelligent Refueling Information System - a refuelling management system which combines refuelling expertise of BAFS with experience in pioneering the system at the global level to build upon and develop the system that can respond to the refueling operators for all aircraft sizes, ranging from both large international airports to smaller ones.
5. Enterprise Process Management System - the organization's internal process management system that can handle organizations of all sizes to enhance efficiency and effectiveness of processes and allow employees to have much more time to develop creative works as well as foster resilience in the organization in coping with unexpected incidents.

Moreover, other BID's products and services are still being studied and developed for a broader utilization. BID has a plan to introduce and market its products to third parties. Currently, BID is in the process of the preparation of a public relations plan to further promote its products to third parties.

### 1.5 Investment in Renewable Energy

BAFS Clean Energy Corporation Company Limited (BC) was established in March 2020, with registered capital of 500 million Baht, in which BAFS holds a 100% stake, to operate investment business or partnership in renewable energy and environment project both domestically and internationally as well as provide management, technical, financial management services and other services related to renewable energy and environment business.

In the future, renewable energy-fired electricity generation tends to replace coal/lignite, natural gas, oil-fired energy production. At present, Thailand has natural gas reserves at 6.4 million ft<sup>3</sup>, while the demand was 1.3 million and million ft<sup>3</sup> per year (data as of December 2018 from the Department of Fuels). It is then expected that in the near future needs to depend on imports of natural gas from overseas. For this reason, the Power Development Plan (PDP) then places importance on the usage of renewable energy. This has made the electricity generation from

renewable energy, including biomass (agricultural residues), biogas (such as animal manures, wastewater from agricultural processing plants, energy crop), waste (such as community waste, industrial waste), sunlight, wind, and microhydro energy, that has increasingly acquired production proportion, but still has an aggregate proportion of only 10 percent of the total volume of power generation in 2019. It can be seen that the market of renewable energy-fired electricity generation is still in high demand and can grow in line with the economic expansion.

Therefore, according to the Growth Strategy, the BC was established on March 6, 2020 with registered capital of 500 million Baht, divided into 5,000,000 ordinary shares, valuing at 100 Baht per share, in which BAFS holds a 100 percent stake to operate renewable energy business and expand investments in non-carbon business, thus creating sustainable returns and stability for BAFS Group. At an initial stage, BC will invest in Thailand, by focusing on solar and bioenergy power plants. BC will later expand investments in countries that have potential and risk appetite, for example, solar energy in Japan, Australia, and Vietnam.

In 2021, the BC purchased 7 solar power plants from PDI Energy Company Limited, a subsidiary of Padaeng Industry Public Company Limited by acquiring a 100% stake in all 7 solar power plants with total generation capacity of 36.4 MWh that already started commercial operation date (COD). This investment can generate revenue since the first year of business operation. Moreover, it can help increase competitiveness and create business growth opportunities. BC can exploit expertise and knowledge of employees with experience, knowledge, and expertise in O&M management in the energy business for long, reduce risks of work obstacles, enhance corporate robustness as well as develop and expand future businesses.

## 1.6 Property Leasing and Related Public Utility Systems

Besides the business related to aviation fuelling services, BAFS also operates other businesses associated with its core business as follows:

- 1) Space and fuel tank rental service at BKK Depot and DMK Depot.
- 2) Fuel pipeline receipt system rental service at BKK Depot: BAFS has invested in the system and charged FPT a fee for transporting fuel to its fuel tanks.
- 3) Space and utility rental service to install fuel pipeline receipt systems connecting the pipeline systems of THAPPLINE that has to utilize space in BAFS for its pipeline transportation.
- 4) Asset, land and related utility rental services.

### BAFS's Property Leasing Revenue during 2018 - 2020

(Unit : million Baht)

Items	Year 2018		Year 2019		Year 2020	
	Amount	%	Amount	%	Amount	%
<b>Property Leasing Revenue</b>						
<b>Fuel Pipeline Transportation Ltd.</b>						
- Space	7.37	12.19	10.10	17.21	12.29	27.24
- Buildings	5.60	9.27	6.16	10.50	6.16	13.66
- Fuel Receipt System, Airport Depot (Don Mueang)	13.34	22.07	5.79	9.87	2.85	6.32
- Fuel Pipeline Receipt System (Suvarnabhumi)	18.69	30.92	21.08	35.92	6.45	14.30
- Diesel Fuel Receipt System (Don Mueang)	0.94	1.56	0.34	0.58	1.67	3.70
<b>Thai Petroleum Pipeline Co., Ltd.</b>						
- Land (Don Mueang and Suvarnabhumi)	5.54	9.17	5.85	9.97	6.27	13.90
- Utility System (Don Mueang and Suvarnabhumi)	4.95	8.19	5.17	8.81	5.40	11.97
<b>Thai Aviation Refuelling Co., Ltd.</b>						
- Buildings	1.79	2.96	1.95	3.32	2.16	47.79
- Utility System	0.53	0.88	0.56	0.95	0.62	1.37
<b>Bangkok Airways Plc.</b>						
- Land and Edifices (Chiang Mai)	1.07	1.77	1.07	1.82	1.12	2.48
<b>Infinity Service Co., Ltd.</b>						
- Utility System (Don Mueang)	0.62	1.02	0.62	1.06	0.00	0.00
<b>BAFS Clean Energy Corporation Co., Ltd.</b>						
- Buildings	0.00	0.00	0.00	0.00	0.07	0.16
- Utility System	0.00	0.00	0.00	0.00	0.05	0.11
<b>Total</b>	<b>60.44</b>	<b>100.00</b>	<b>58.69</b>	<b>100.00</b>	<b>45.11</b>	<b>100</b>

29

## 2. Nature of Business in the Previous Year

For the aviation fuelling services in 2020, despite the impacts from the COVID-19 outbreak causing the decrease in flight and passenger numbers compared from the previous year, BAFS continued to maintain its service capacity level at Don Mueang International Airport and Suvarnabhumi Airport based on their handling capacity to prepare for the flight numbers after returning to normal situation in a promptly manner.



During the past 5 years, the low cost carriers (LCCs) based at Don Mueang International Airport highly competed on price to attract users, experienced a drastic increase in flight routes and flight frequencies and opened more international routes. Therefore, AOT implemented the Don Mueang International Airport Development Plan Phase 3 to increase its ultimate capacity to handle 40 million passengers per year, which is expected to be completed by 2025. At present, AOT is on the process of conducting an environmental impact assessment for the Office of Natural Resources and Environmental Policy and Planning. Once the project is completed, the number of aircraft parking bays will increase from 108 to 185 and the number of contact gates from 27 to 36, which can handle 50 flights per hour.

In 2020, BAFS provided the aviation refuelling services at Don Mueang International Airport to a total of 66,312 flights, a decrease of 48.6 percent from the previous year due to the COVID-19 outbreak, which was a crucial factor contributing to the total refuelling volume of 520 million liters or a decrease of 62.2 percent.

Currently, BAFS has rented all 64 aircraft parking bays equipped with aviation fuel hydrant systems, covering all apron areas to operate underground fuel pipeline systems by 26 hydrant dispensers and provide refuelling service by 9 refuellers. In 2021, BAFS has no investment plan to procure more refuellers.

Suvarnabhumi Airport, which is Thailand's main airport, was initially designed to handle 45 million passengers per year. However, in 2020, it served 16.7 million passengers, a decrease of 74.5 percent from the previous year due to the COVID-19 outbreak, which was a crucial factor contributing to the total refuelling volume of 1,603 million liters or a decrease of 62.1 percent.

AOT is currently carrying out the Suvarnabhumi Airport Development Project Phase 2 to increase the passenger handling capacity and alleviate congestion of passengers and flights which have continuously increased every year. The construction project, which will increase the passenger handling capacity to 60 million passengers per year, has already started on September 14, 2016. The constructions include the Midfield Satellite Building 1 with 28 contact gates, 8 of which will be capable of serving Airbus A-380 (Code F) aircraft and 20 will be serving Boeing 747-400 (Code E) aircraft and is scheduled to be operated in 2021. Then, the next phase of airport expansion is to construct the Third Runway and the Passenger Terminal 2 to increase the passenger handling capacity to 90 million passengers per year. Therefore, BAFS has a plan to construct a fuel storage tank with 15 million liters capacity to meet additional fuel required by the airport, including providing fuel suppliers and airlines additional rental spaces for storing fuel to prevent risks caused by global fuel price volatility. The construction is expected to begin in 2021. As a result, BKK Depot's total capacity will be 120 million liters.

In 2020, BAFS provided the aviation fuelling services at Suvarnabhumi Airport to a total of 71,424 flights, a decrease of 59.9 percent from the previous year, with a total of 1,603 million liters of Jet A-1 fuel which decreased by 62.1 percent from the previous year due to the COVID-19 outbreak. At Suvarnabhumi Airport, BAFS used two types of refuelling vehicle, consisting of 40 dispensers and 2 refuellers, and had 5 Jet A-1 fuel tanks with a total capacity of 75 million liters.

### 3. Marketing and Competitive Environment

#### 3.1 Marketing Policy

Presently, BAFS still undergoes marketing efforts by entering into into-wing contracts with fuel suppliers to provide the aviation fuelling services for airlines operating at all airports where it is a service provider. BAFS will inform fuel suppliers of service fees which will be added to other costs such as fuel costs and transportation fees to bid for an airline's tender. BAFS's refuelling service fees are separated from suppliers' fuel costs. BAFS provides service to all fuel suppliers and airlines under the same standards. In 2020, BAFS was still the market leader with 87.4 percent of market share in the refuelling volume at Suvarnabhumi Airport. BAFS's into-plane marketing strategy focuses on providing fuel suppliers' customers, namely airlines, with safe, reliable and punctual services and delivering fuel with quality that meets international standards to prevent flight delays or airline's complaints.

Moreover, BAFS conducts a customer satisfaction survey for both direct customers (fuel suppliers) and indirect customers (airlines) on a yearly basis. Its departments regularly meet customers to gather suggestions and comments for improvements. In case of complaints, BAFS will immediately clarify the matters as soon as possible. BAFS also performs fuel inventory and prepares relevant reporting systems for fuel suppliers with updated daily information as well as maintains confidentiality and is careful to disclose information of fuel suppliers in accordance with the regulations based on the principles of good corporate governance.

#### 3.2 Competitive Strategies

BAFS's business philosophy is to provide the aviation fuelling services by ensuring quality according to international standards, punctuality and the highest safety. Apart from its service strategy that meets international standards and is accepted by the world's oil companies and airlines, BAFS has also pursued other strategies to compete in the market as follows:

##### 1) Service with International Quality Standards

BAFS operates its service systems in compliance with the Guidelines for Aviation Fuel Quality Control & Operating Standards for Into-Plane Fuelling Services (JIG 1) and Guidelines for Aviation Fuel Quality Control & Operating Standards for Airport Depots & Hydrants (JIG 2), which were issued by the Joint Inspection Group (JIG) and endorsed by the International Air Transport Association (IATA), both of which are required for a jointly operated system. In addition, the updated and standardized operating systems and equipment has enabled BAFS to be considered as an approved training facility for airline's auditor training of the IATA Fuel Quality Pool (IFQP) and fuel suppliers of Joint Inspection Group (JIG). Additionally, BAFS has been certified by the International Standards Organization with the Quality Management System (ISO 9001:2015) and the Occupational Health and Safety Assessment Series (ISO 45001:2018). Therefore, all airlines can be assured that standard and quality fuels in response to customer needs will be provided to all flights.

## 2) Service Quality Assurance

BAFS is confident that airlines will receive punctual services according to airlines' flight schedules with cutting-edge machines and tools which are equivalent to other airports worldwide as well as well-trained employees. Over the past years, BAFS has become recognized by airlines for its highest safety service and fuel quality in accordance with international standards. BAFS also allows airlines' and fuel suppliers' auditors to regularly conduct an annual audit.

## 3) Competitive Pricing

BAFS imposes a competitive pricing policy for refuelling service fees at Suvarnabhumi Airport to be at the competitive level with its competitors, namely airports in Asia. For Don Mueang International Airport, service fees are set in line with operating costs of the hydrant systems, the fuel storage fees and the refuelling service fees.

## 4) Safety Awareness

BAFS places importance on occupational health and safety in working conditions by emphasizing the safety policy to control and prevent accidents, and enhance airlines' confidence in the safety of BAFS's services. Therefore, BAFS has set up a particular department, which directly reports to the President, and provided budget support to ensure the achievement of objectives.

### 3.3 Pricing Policy

The pricing policy is set in accordance with international standards by taking into account the economic situation, competition and BAFS's action plans approved by the Board of Directors and executives.

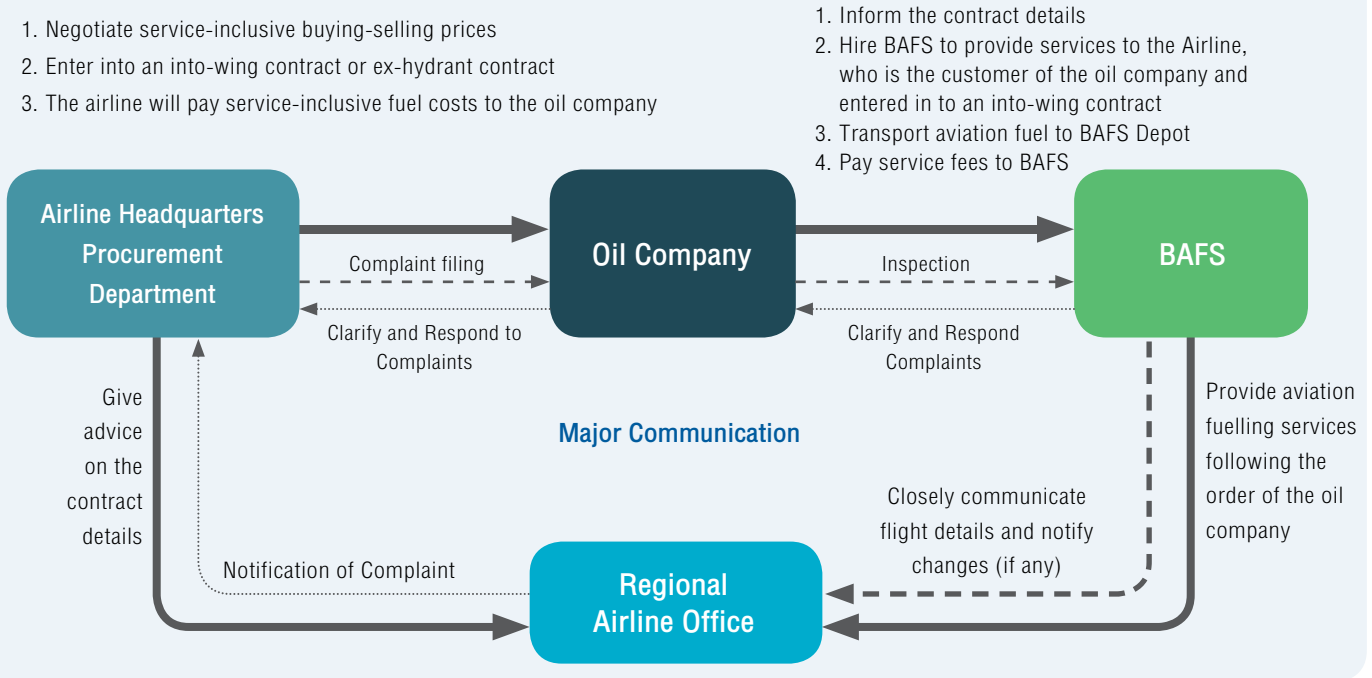
### 3.4 Characteristics of Customers and Target Customers

BAFS's target customers include fuel suppliers that sell aviation fuel to airlines operating at Suvarnabhumi, Don Mueang, Samui, Sukhothai and Trat airports. When fuel suppliers enter into a fuel sale and purchase contract with airlines, the aviation fuelling services are also included in the contract called the into-wing contract.

### 3.5 Supply and Distribution Channels

When the fuel sale and purchase contract is agreed between fuel suppliers and airlines, the fuel suppliers will inform BAFS of the details and conditions of the airlines. After that, the fuel suppliers will transfer aviation fuel to BAFS's Airport Depots which are joint depots, and BAFS will provide the aviation fuelling services to the airline customers accordingly. BAFS will issue a delivery receipt (D/R) document to the airlines after the service of each flight and provide a total sales volume report to the fuel suppliers. Currently, BAFS provides the aviation fuelling services at 5 airports: Suvarnabhumi, Don Mueang, Samui, Sukhothai and Trat. The aviation fuelling service process is shown below.

### Trade Relationship between Oil Company-Airline-BAFS



### 3.6 Conditions of Service

BAFS has 4 service conditions for airlines as follows:

(1) Service Obligation

BAFS provides the aviation fuelling services pursuant to the contract conditions agreed between fuel suppliers and airlines. The fuel suppliers will inform BAFS of the details of airline customers prior to service operation.

(2) Fuel Carnet Card

The fuel suppliers will provide an approved list of carnet card holders and allow BAFS to service those airlines in advance of service operation.

(3) Cash Payment

In case that the airlines have no contract as in item 1 and no carnet card as in item 2, they can pay cash, which can only be in Thai Baht, for fuel costs including service fees. BAFS will be informed of the selling price from the fuel suppliers in advance. If the airlines make a service request, BAFS will collect the cash from the airlines. BAFS will temporarily keep the cash and further deliver the whole amount of cash to the fuel suppliers.

(4) P-Card

Some fuel suppliers and domestic commercial banks jointly prepare new payment system called P-Card which has features as same as credit cards. Airlines can contact the fuel suppliers that issue P-card for fuel costs and the refuelling service payment within the card balance, which is more convenient than cash payment. However, there are just a few domestic commercial banks that issue the P-card.

### 3.7 Billing and Payment Procedures for Aviation Fuelling Services

BAFS will issue a delivery receipt (D/R) document after the refuelling service is completed. The D/R provides a record of the flight details, types and conditions of service, fuel supplier's name, fuel volume and date and time of refuelling service. The airlines will receive 1 copy of the D/R. Meanwhile, BAFS will collect its original together with other copies and submit them to the fuel suppliers on a daily basis. BAFS also provides information in an electronic data format, which the fuel suppliers can access via the Internet.

BAFS will invoice the fuel suppliers on a monthly basis. The service fees will be calculated based on the total fuel sales volume refuelling to the aircraft of airlines that are customers of each fuel supplier in a particular month. Then, the fuel suppliers will invoice fuel costs, including all service fees, to the airlines, according to the conditions of the sale and purchase contracts between the fuel suppliers and the airlines.

## 4. Into-Plane Service Industry and Competition

### 1. Previous Year's Industry Outlook

The aviation fuel storage and aircraft refuelling service industry is growing in parallel with the tourism and aviation businesses based on variable volumes of air traffic and flight routes. Refuelling volume of each flight is subject to aircraft type and flight distance. Thus, any factors affecting those businesses will also have a direct impact on the growth of aviation fuel storage and aircraft refuelling service industry.

In 2020, the COVID-19 outbreak posed a global threat, affecting the tourism and aviation businesses severely and causing a 56 percent decrease in flight numbers, a 72 percent decrease in international flight numbers, a 33 percent decrease in domestic flight numbers, and a 61 percent decrease in the total number of passengers worldwide, compared to the previous year. More than 40 airlines worldwide also went out of business, including Thailand's low-cost carrier NokScoot. Many more airlines needed to reduce their fleet size to continue their operations.

#### Tourism

In 2020, during January - February, the into-plane services continued to expand in line with the growth of the tourism business. However, the COVID-19 outbreak, that has initially spread in China since December, has affected the economy at large, resulting in the economic recession and sparking fears for travelers, coupled with travel restrictions in many countries, including Thailand which announced a ban on foreign travelers since the occurrence of such outbreak, and restrictions on the type of Thailand-bound travelers imposed by the Civil Aviation Authority of Thailand and the Ministry of Public Health, stipulating that those who need to



enter Thailand are required to complete 14 days quarantine at State Quarantine Facilities. As the COVID-19 cases had been confirmed since February and at the end of March, the government therefore implemented more decisive measures by announcing the enforcement of the Emergency Decree on Public Administration in Emergency Situations on March 26, 2020. As a result of that, there was no foreign traveler traveling to Thailand and Thai tourism was negatively impacted by such factor. The total flight numbers in 2020 at Suvarnabhumi Airport and Don Mueang International Airport dropped by 56 percent, compared to the previous year. The international and domestic flight numbers dropped by 72 percent and 33 percent, respectively.

However, when the COVID-19 situation in Thailand had been gradually brought under control during the third quarter of 2020, domestic travels returned due to the economic stimulus government policy that supported and assisted the domestic tourism business, for example, “Rao Tiew Duay Gun” (We Travel Together), “Tiew Pan Suk” (Travelling Shares Happiness), and “Kamlang Jai” (Encouraging) campaigns, in which the government subsidizes partial travel and accommodation costs for Thai travelers to encourage more domestic travels. The domestic flights in the third and fourth quarters of 2020, therefore, returned to operate decreased by 29 percent and 9 percent, respectively, compared to the same period last year.

### Airlines

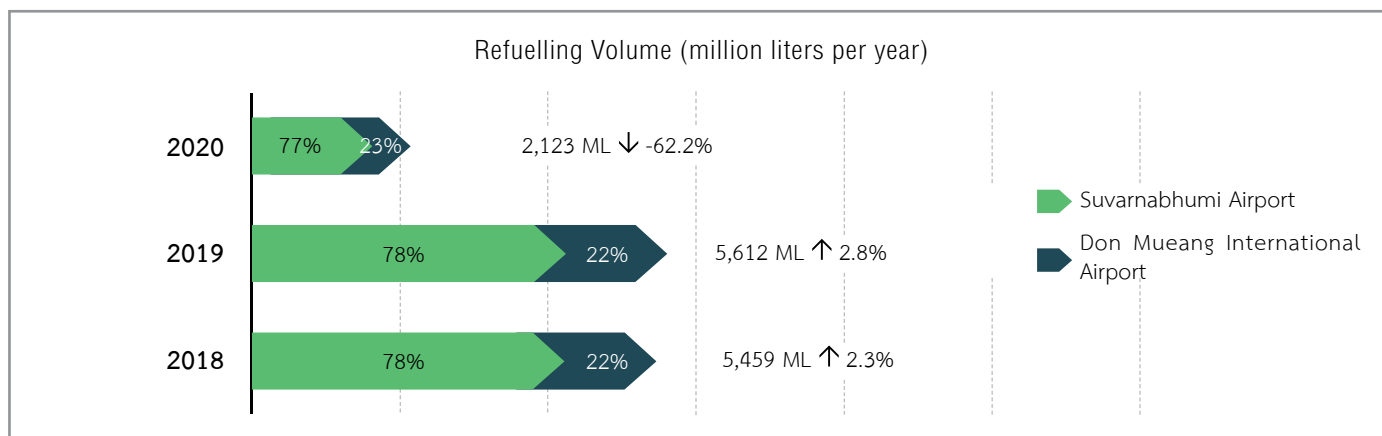
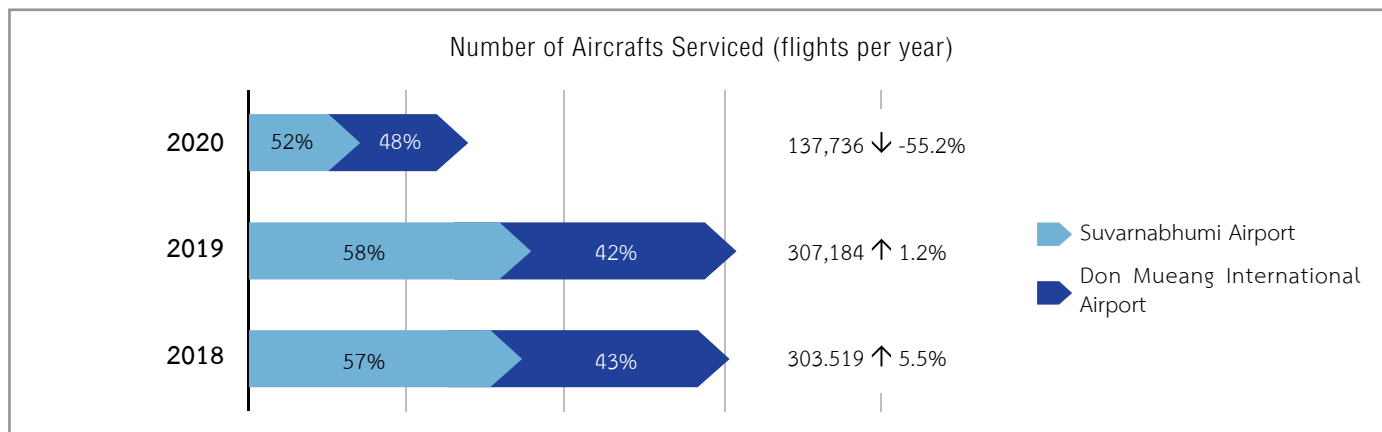
In 2020, the aviation industry was impacted severely by the COVID-19 pandemic, shrinking worldwide passenger numbers significantly by 61 percent, especially in the Asia region accounting for 34.6 percent of the overall market. Although the fuel cost factor, as the major cost factor, representing 34.6 percent of the overall market, decreased in the past year due to fuel demand drops caused by the COVID-19 outbreak, however, the airlines still cannot operate flights or exploited lower fuel prices.

Given intense price competition among low-cost airlines coupled with decreased passenger numbers, the airlines therefore suffered huge losses. Many international airlines collapsed or cut their fleet size. Thai Airways also suffered accumulated losses and had to enter into a court-supervised business rehabilitation since May 2020.

Regardless of the previous year’s situation, many large airlines launched their own training centers or collaborated with the aviation personnel training center to produce their own pilots as they foresaw cost effectiveness for future growth of potential market. For example, Bangkok Airways Public Company Limited (BA) opened an aviation training school at its own airport in Sukhothai province and many more aviation training schools, thus yielding a positive impact on the BA’s business other than its airport service. The BA still had plans to develop and produce suitable equipment for into-plane services to accommodate customer markets depending on different business sizes.

However, in general, the two airports faced a decline in both passenger and flight numbers, and refuelling volume, compared to the previous year. It was found that there were 32.5 million passengers traveling through Suvarnabhumi Airport and Don Mueang International Airport, representing a 69.6 percent decrease. The total refuelling volume at Suvarnabhumi Airport and Don Mueang International Airport was 2,123 million liters, a 62.2 percent decrease compared to the previous year.

### Comparison between Refuelling Volume and Total Flight Numbers



## 2. Competitive Environment of the Into-Plane Service Industry

Although the decrease in the number of tourists and air passengers worldwide, but if the overall situation of the aviation industry, especially in the Asia-Pacific region, returns to normal, it is expected that air travel needs will return to grow, and that commercial airports in the region will compete in enhancing airport capacity to accommodate the growth of the tourism business. In essence, the aviation fuel storage and aircraft refuelling service industry relies not only on the tourism business, but also on the passenger handling capacity and the number and type of flights at each airport. For example, the large-scale airports with many runways can handle a large number of flights. Also, there will be a higher demand for refuelling service for the airports with parking bays that can accommodate large-sized aircrafts or operate more international routes, than the small-scale airports with only one runway and few parking bays. Therefore, the refuelling volume does not depend on the number of aircrafts in service, but the size and market positioning strategy of the airports.

Presently, there are 38 commercial airports in Thailand, categorized into primary, secondary, and small-scale airports operated by the government and private agencies. However, the aircraft refuelling service is still only available at some airports, and each airport has a different policy to limit the number of aircraft refuelling service providers. Currently, Suvarnabhumi Airport is the only one that has more than one aircraft refuelling service provider and only one aviation fuel storage service provider; whereas, all the other airports have only one aviation fuel storage and aircraft refuelling service provider. This is because most domestic airports are small-sized and airlines operate few short-haul flights. The primary domestic airports with the highest refuelling volume are operated by Airports of Thailand Public Company Limited (AOT). BAFS is one of the two companies that provides the aircraft refuelling service at Suvarnabhumi Airport and is the sole service provider at Don Mueang International Airport. As a result, BAFS has the highest market share in Thailand and accordingly is the market leader.

Besides the domestic competitors in the into-plane service business, BAFS does not directly compete with its international counterparts but relies on the competition of airports in acquiring airline routes and flights. Therefore, BAFS' competitors are overseas airports located in South East Asia. The fuel price, which is airlines' major cost, also affects their decisions on the launching of new flight routes, at which airports to land and the increase in refuelling volume.

## 2.1 International Competition

At present, each international airport is continuously competing by enhancing its service efficiency and passenger handling capacity. The international airports, located in the same region and in competition with Bangkok, are Singapore, Hong Kong, South Korea, Malaysia, Indonesia, Vietnam and Myanmar.

Changi Airport in Singapore opened its Passenger Terminal 4 in August 2017, which can serve 82 million passengers/year. Changi Airport is in the process of expanding the third runway, which is currently used for military flights, from 2,700 to 4,000 meters in length, so it can be used for commercial purposes and will be connected to the two current runways. The construction of the new Passenger Terminal 5 building is expected to be completed by 2022 and will be enhanced to handle 135 million passengers/year by 2027.

Hong Kong International Airport (HKIA) can accommodate 70 million passengers/year. HKIA is in the process of constructing the third runway to increase its handling capacity to 100 million passengers/year, and the airport city featuring hotels, shopping malls, restaurants and tourist attractions, which is the largest project in Hong Kong, expected to be completed by 2024.

Incheon International Airport in South Korea can handle 72 million passengers. Currently, it has 3 runways and 2 passenger terminals. The plans for the construction of the fourth and fifth runways together with a satellite concourse are expected to be completed by 2030, which will increase its handling capacity to 100 million passengers/year.

All three airports have been ranked among the world's top airports based on the number of airline customers and passengers. They possess state-of-the-art technologies and high service efficiency, thus enabling them to become important aviation hubs and significant

competitors of Suvarnabhumi Airport for the airlines using the airports as connecting points to the countries in other regions on long-haul flights. Other airports in South East Asia which are potential competitors include those in Malaysia and Vietnam; however, they are less popular than Suvarnabhumi Airport. For instance, KLIA in Malaysia, which can accommodate 75 million passengers/year but served only 60 million passengers in 2019, is a significant market for low-cost airlines making it a major competitor of Don Mueang International Airport. Meanwhile, Ho Chi Minh City Airport in Vietnam, which has actually served 41 million passengers/year since 2019, exceeds its capacity of 25 million passengers/year. Vietnam is now expediting the plan to increase its capacity to handle 100 million passengers by 2030.

The IATA estimates that the number of air passengers travelling in the Asia-Pacific region will be highest and ranked 1st in the world by 2034 and Thailand will rank among the world's top 10 most popular destinations by 2036.

There is a tendency that the competitors who are international airports in the region are expediting their capacity expansion to accommodate the tourism in the Asian region that has a chance to grow by 4-6 percent on average per year. Suvarnabhumi Airport which is designed to handle 45 million passengers/year, served up to 65.4 million passengers in 2019, while Don Mueang International Airport of which its capacity was increased to handle 30 million passengers of which the construction was completed in 2016, served up to 41.3 million passengers in 2019. It is evident that there are still high passenger travel demands for Thailand as their preferred destination, but the lack of airport infrastructure also hinders business growth. Therefore, if the expansion projects of Suvarnabhumi Airport and Don Mueang International Airport as well as regional ones are completed as planned, the number of passengers and flights will increase and the airports can compete with other airports in the region, including Hong Kong and Singapore. These are key drivers of growth of BAFS's into-plane service business. It is expected that the AOT will open the Suvarnabhumi Airport's Satellite Terminal 1 to accommodate 60 million passengers in 2021.

## 2.2 Domestic Competition

For the aircraft refuelling service on a national level, there are 6 airports operated by the AOT, including Suvarnabhumi as the primary airport, followed by Don Mueang, Phuket, Chiang Mai, Hat Yai and Chiang Rai. BAFS provides the aircraft refuelling service at Suvarnabhumi and Don Mueang International Airports, representing 75 percent of the total number of inbound and outbound flights operated at these 2 airports. At Suvarnabhumi Airport, BAFS has been granted as one of the two into-plane service providers, and the market share in 2020 was 87.40 percent at Suvarnabhumi; whereas, BAFS is the sole service provider at Don Mueang International Airport. At other airports, BAFS also has a policy to expand its investment, depending on the AOT's policy on future concessions.

In addition to the airports that are operated by the AOT, BAFS presently operates the aircraft refuelling service at Samui, Sukhothai and Trat Airports, which are owned and operated by the Bangkok Airways. In 2020, the total refuelling volume of those 3 airports was 4.9 million liters, which was a 79.2 percent decrease from the previous year, and the total number of flights serviced was 1,851 flights.

In 2025, the government has initiated the Eastern Economic Corridor (EEC) project as a strategic plan under the 20-year National Strategy, with an aim to enhance Thailand's transport and economic capacity. The key success factor of the EEC project is the development of U-Tapao Airport to become Bangkok's third commercial airport by connecting passenger transportation to Suvarnabhumi Airport and Don Mueang International Airport, thus increasing efficiency and capacity of air transportation in response to business and industrial expansion in the eastern area and promoting Thailand to become a major aviation hub in the Asia-Pacific region. Despite its proximity to Suvarnabhumi Airport, U-Tapao Airport will not affect the number of passengers at Suvarnabhumi Airport. On the contrary, once the high-speed electric train project is completed, it will provide passengers with a convenient travel option and can attract more users in the region, thereby creating the positive benefits for the country as a whole. When the three airports' capacities are combined, there will be 7 runways and can handle an aggregate number of 160 million passengers by 2033.

There are 28 regional airports operated by the Department of Airports (DOA) and the Betong Airport is under construction, totaling 29 airports. At present, the DOA is in the process of preparing the 10-year strategic plan to enhance efficiency and capacity of the airports as well as develop travel networks to accommodate more passengers. The DOA has a plan to invite the private sector to engage in appropriate forms of investment, including granting AOT the right to manage some airports. BAFS has a strong intention to invest in all airports due to its successful experience in working with the AOT and the BA, a private company. Therefore, BAFS is ready for investments and is confident in its service competitiveness that achieves world-class standards.

### 3. Industry Trends and Competitive Environment in 2021

In 2021, the into-plane services are likely to recover at a good pace due to the fact that the COVID-19 outbreak has been gradually brought under control and that Thailand is expected to get the COVID-19 vaccines in the middle of the year, despite some delays until the end of the year. However, it is expected that the vaccines will be available to people around the world by the end of this year. This will allow foreign travelers to resume normal travel patterns. Major international tourists include those from the East Asia region, especially from the Asian countries like South Korea, Japan, and India. The government's tourism stimulus policies are expected to attract approximately 7 million tourists, which is 4.5 percent higher than the previous year. The increase is driven by the government's tourism stimulus measures such as to increase shops and VAT refund points and to extend checkpoint hours at Thailand - Malaysia and Thailand - Lao PDR borders to be 24 hours during weekend as well as the reopening of new flights routes of airlines. In the meantime, some secondary cities are increasingly becoming internationally recognized, for instance, Buri Ram that was ranked in Trending Destination 2020 of Airbnb, and Sukhothai that was selected to be a creative city by UNESCO. However, there are still negative factors relating to the world economy affected by the COVID-19 outbreak. They have caused fears for travelers, resulting in a huge impact on the aviation fuel volume. Meanwhile, the continued appreciation of Thai Baht can make Thailand attractive to foreign tourists.



BAFS has therefore expected that the total demand for aviation fuel volume in 2021 will increase by 17.5 percent with the total volume of 2,571.5 million liters or 7.0 million liters on average per day, which is an increase of 217.4 million liters from the previous year. The aviation fuel volume served at Don Mueang International Airport is expected to be 679 million liters, a 30.7 percent increase compared to the previous year, with the average volume of 1.8 million liters per day and the volume of 1,892 million liters at Suvarnabhumi Airport, a 3.2 percent increase compared to the previous year, with the average volume of 5.2 million liters per day.

For the market share at Suvarnabhumi Airport where there is competition in the aircraft refuelling service, BAFS has set a target of not less than 85 percent market share by implementing the strategy that focuses on the factors influencing the decisions of customers (oil companies), maintaining service quality level (service with our heart), placing high priority on safety, and providing cutting-edge service technologies in order to increase satisfaction of airline customers who are indirect customers as well as ensuring continuous effective cost management and strengthening close relationships.

#### 4. Supply of Products or Services

The core business of BAFS is to provide aviation fuel storage and aircraft refuelling services, with jet fuel supplied by the oil companies and stored at airport depots according to the User Agreements, prescribing that the fuel quality must be in accordance with the Aviation Fuel Quality Requirement for Jointly Operated System (AFQRJOS). BAFS receives jet fuel from the oil companies through fuel pipelines operated by 2 companies: Fuel Pipeline Transportation (FPT) and Thai Petroleum Pipeline Company Limited (THAPPLINE), which receive jet fuel directly from the oil refineries or by the oil tankers where jet fuel is received from domestic oil refineries or imported from overseas.

The oil companies will develop a fuel supply plan and notify BAFS in advance, and transport sufficient volume of jet fuel to BAFS's aviation fuel storage stations for their airline customers who are customers of those oil companies. BAFS has established a fuel reserve policy requiring the oil companies to ensure 1 - 3 days of fuel reserves of the sales volume per day. If the oil companies cannot supply fuel within the schedule time and has insufficient fuel volume, they will not be able to sell fuel to their airline customers. However, this will not affect the services operated by BAFS and the airline customers since the latter can turn to purchase fuel from other oil companies that have sufficient fuel reserves at the given airports and still receive the aircraft refuelling service from BAFS as usual.

#### 5. Operating Property

Details can be found in Enclosure 4 Operating Property and Details of Property Valuation

#### 6. Undelivered Tasks

- None -

#### 1.2.3 Credit Policy

Company and Subsidiaries ("BAFS Group") has established the Credit Policy to be a guideline for the relevant person to perform their duties. To set credit limit and term of payment shall be consistent with the quantity, value of products/services that will be purchased from BAFS Group, debt servicing ability and customer risk. The credit term for customer is 5 - 60 days.

## Future Business Plans

The outbreak of coronavirus disease or COVID-19 since the past year has greatly affected the aviation fuel service business which serves as the primary source of revenue of BAFS Group. However, BAFS has prepared a strategic growth plan for BAFS Group in advance to create revenue stability and reduce reliance on the revenue gained from its core business. In 2021, BAFS is carrying out its business plan for BAFS Group's operations classified into characteristics of business as follows:

- 1) **Core business** : BAFS's expertise in aviation fuelling business has been recognized internationally and regarded as its key strength. Thus, BAFS has high readiness for business expansion of aviation fuelling services to other airports both domestically and internationally. BAFS has actually developed a project to expand its aviation fuelling services to other regional airports with growth potential, whereby BAFS may operate on its own or form a joint venture with other operators.
- 2) **Adjacent business** : According to BAFS' skilled expertise and knowledge, including extending its scope of business operations that can cover more needs and customer requirements .
  - **BAFS Innovation Development Company Limited (BID)** undertakes the development of information technology system and software, innovation and digital solution business, service platforms relating to aviation and airport businesses through a wide range of technology, e.g. blockchain and AI, as well as refuelling prototype robots to be installed to the refuellers.
  - **BAFS INTECH Company Limited (BAFS INTECH)** manufactures and distributes refuellers and airport ground support equipment in the region while assembling and distributing refuellers to Myanmar and the Lao People's Democratic Republic, establishing a cooperation with leading companies in Europe to build electronic vehicles (EV), and become a dealer offering a wide variety of equipment such as valves used in the industry including the petroleum industry.
- 3) **Non-core business** : BAFS aims to generate incomes and stabilise its businesses as well as to distribute incomes and create balance in BAFS' revenue structure, BAFS shall invest in the business promoting sustainability and environmentally friendly.
  - **BAFS Clean Energy Corporation Company Limited (BC)** invests in renewable energy and environment, and recycling businesses. In 2021, BAFS already purchased 7 domestic solar power plants to generate revenue for BAFS Group and also planned to purchase overseas solar power plants in the future.

These business plans will serve as the driving forces of future growth and income generation to enhance growth potential and build up business immunity to any factors affecting BAFS Group in order to ensure that BAFS Group's businesses will have a stable and robust foundation for continuous and sustainable growth.

## 1.3 Shareholding structure of BAFS GROUP

### 1.3.1 Shareholding structure of BAFS GROUP

#### (1) BAFS Group's Separation of Operations Policy

For today's into-plane service business, there is a clear separation of operations policy among BAFS Group. In other words, BAFS operates comprehensive aviation refuelling service, ranging from aviation fuel transportation systems through hydrant pipelines, aviation fuel storage systems, and aviation refuelling systems. BAFS is a sole service provider at Don Mueang International Airport as well as other three regional airports. At Suvarnabhumi Airport, BAFS provides aviation fuel storage and aviation refuelling services, while Thai Aviation Refuelling Company Limited (TARCO) provides aviation fuel transportation service through hydrant pipeline systems.

For fuel transportation through underground pipelines, Fuel Pipeline Transportation Limited (FPT) provides aviation fuel storage and multi-product pipeline transportation services from Bangchak Oil Refinery and Chongnonsi Depot to Suvarnabhumi Airport, Refuelling Station, Don Mueang Aviation Refuelling, Bang Pa-in Depot, Phichit Depot, and ending at Lampang Depot.

Intoplane Services Company Limited (IPS) provides labor contracting services for aviation refuelling services at Samui Airport, Sukhothai Airport and Trat Airport. According to the current policy, IPS provides aviation refuelling service only at regional airports.

In response to the BAFS's sustainability strategic plan to build a culture of innovation, BAFS then established BAFS Innovation Development Company (BID) with an aim to invent, research, and develop innovation among BAFS Group and expand to other business networks.

BAFS INTECH Company Limited (BAFS INTECH) was established to provide design, manufacturing, and assembly services for refuellers with both diesel engines and e-dispensers and dispensing service systems including equipment relating to aviation refuelling systems, and repair and refurbishment services for dispensers, oil spill cleanup vehicles, low point drains, and so on.

Moreover, BAFS established BAFS Clean Energy Corporation Company Limited (BC) to operate renewable energy business and expand investments in the non-carbon business. Initially, it places focus on the investments in solar and bioenergy power plants in Thailand or around 75 - 100 percent of the total number of investments. It will later expand investments in international projects with potentialities and risk tolerances, e.g. solar energy in Japan, Australia, and Vietnam.

However, BAFS Group's policy may be adjusted due to economic, political, and competitive conditions. More importantly, any business operation policy of each company among BAFS Group is implemented to ensure the maximum benefits of BAFS Group as a whole.

## Aviation Refuelling Systems at Don Mueang International Airport

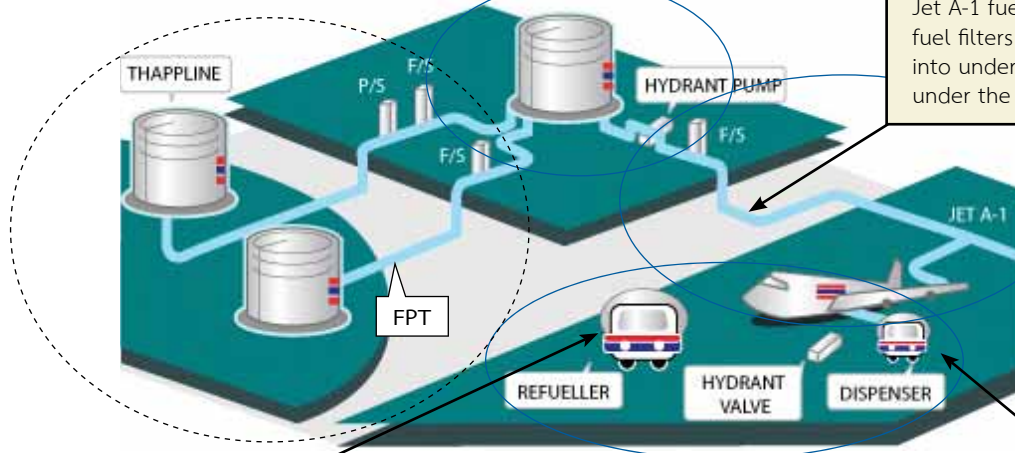
Jet A-1 fuel is transported via pipelines of Fuel Pipeline Transportation Limited (FPT) and Thai Petroleum Pipeline Company Limited (THAPPLINE). The fuel from both sources will be stored at BAFS's Airport Depot.

BAFS will receive only certified quality fuel. Before being stored in fuel storage tanks, it will be transported via fuel filters and water separators to remove water and contaminants from the fuel. After that, Jet A-1 fuel will be kept in the storage tanks at least 24 hours before being supplied.

Don Mueang  
Airport Depot

### 1. Airport Depot

Jet A-1 fuel is pumped through fuel filters and water separators into underground pipeline systems under the apron.



### 2. Hydrant Pipeline Network

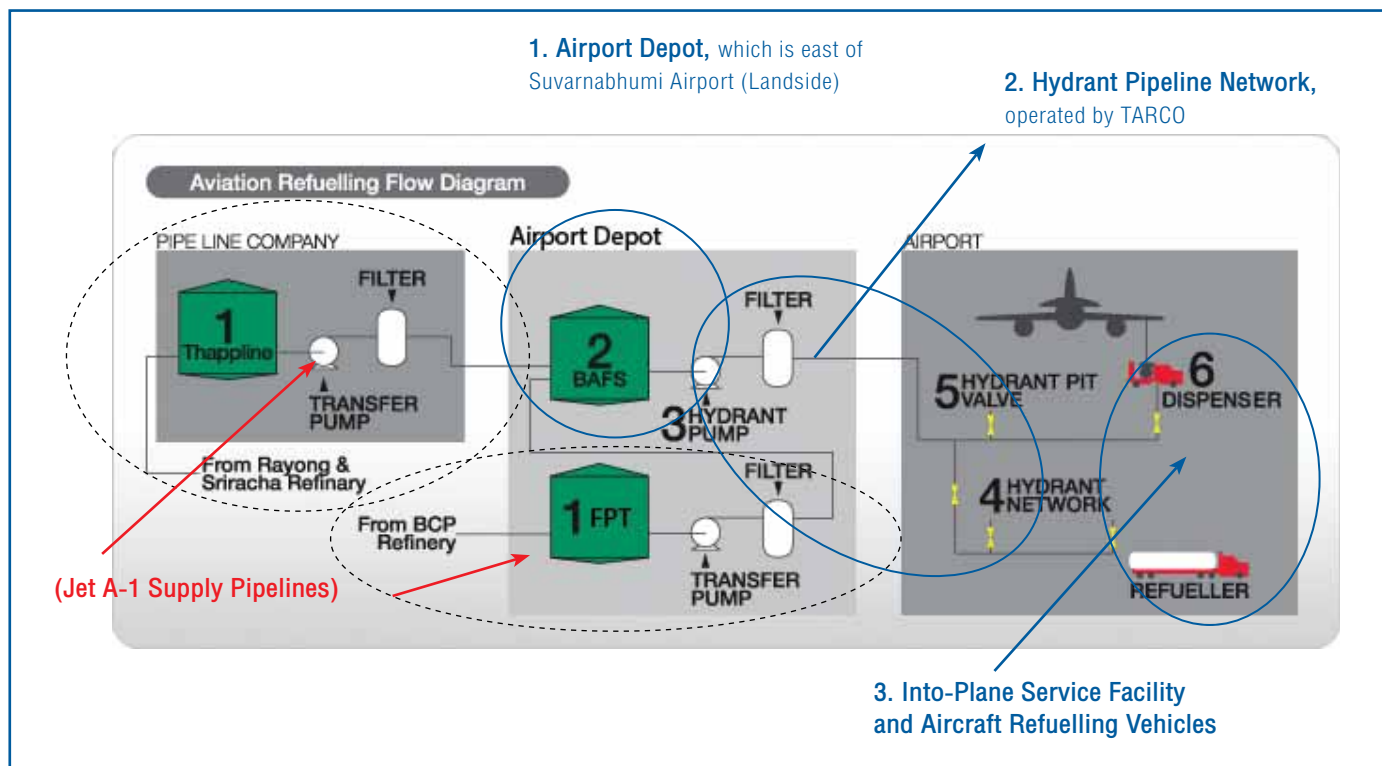
### 3. Into-Plane Service Facility and Aircraft Refuelling Vehicles

For the area where there is no fuel pipeline transportation system under the apron, aircraft is refuelled to the wings by using large **refuellers** instead.

**Dispensers** will connect to hydrant valves on the apron's ground to the dispensers through fuel filter systems and measure volume before dispensing fuel to the aircraft's fuel tanks located on each wing.



### Aviation Refuelling Systems at Suvarnabhumi Airport



BAFS's aviation refuelling systems can be categorized into three types as follows:

- Airport Depot
- Hydrant Pipeline Network
- Into-Plane Service

Service	Don Mueang International Airport	Suvarnabhumi Airport	Samui, Sukhothai, and Trat Airports
1. Airport Depot	<ul style="list-style-type: none"> <li>- Owner: None</li> <li>- Competitor: None</li> </ul>	<ul style="list-style-type: none"> <li>- Owner: None</li> <li>- Competitor: None</li> </ul>	<ul style="list-style-type: none"> <li>- Owner of Samui Aviation Fuel Services Station : BAFS</li> <li>- Owner of Sukhothai Aviation Fuel Services Station : BAFS</li> <li>- Owner of Trat Aviation Fuel Services Station : BAFS</li> <li>- Competitor: None at all 3 airports</li> </ul>
2. Hydrant Pipeline Network	<ul style="list-style-type: none"> <li>- Pipeline Owner: AOT</li> <li>- Rented and Operated by BAFS</li> <li>- Competitor: None</li> </ul>	<ul style="list-style-type: none"> <li>- Operated by TARCO under a 30-year concession awarded by AOT</li> <li>- Competitor: None</li> </ul>	None



Service	Don Mueang International Airport	Suvarnabhumi Airport	Samui, Sukhothai, and Trat Airports
3. Into-Plane Service Facility and Aircraft Refuelling Vehicles	<ul style="list-style-type: none"> <li>- Owner of Dispensers and Refuellers: BAFS</li> <li>- Operated by BAFS</li> <li>- Competitor: None</li> </ul>	<ul style="list-style-type: none"> <li>- Owner of Dispensers and Refuellers: BAFS</li> <li>- Operated by BAFS</li> <li>- Competitor: ASIG (Thailand) Company Limited ("ASIG"), Both BAFS and ASIG have been awarded a 20-year concession by AOT</li> </ul>	Operated by IPS, BAFS's subsidiary, was awarded the concession by Bangkok Airways Public Company Limited at Samui and Sukhothai Airports for an extension of time for 25 years from 2000 to 2024. Upon the completion of contract term, it may be extended to another 5 years per term. Trat Airport has started operations from 2015 to 2040 and once the contract term is completed, it may be extended to another 5 years per term.

BAFS operates its businesses through subsidiaries as follows:

1. **Thai Aviation Refuelling Co., Ltd. (TARCO)**

Thai Aviation Refuelling Co., Ltd. (TARCO), a subsidiary, was established on November 27, 1996. As of December 31, 2020, TARCO had registered and paid-up capital of 530 million baht. The current shareholder structure consists of BAFS holding 90 percent and Airports of Thailand PLC (AOT) holding 10 percent.

TARCO has been awarded a 30-year concession by AOT to provide aviation fuel transportation service through hydrant pipeline systems at Suvarnabhumi Airport. The concession period starts from the opening date of Suvarnabhumi Airport.

To compensate for the concession of aviation fuel transportation service at Suvarnabhumi Airport in the shareholder agreement, BAFS then granted 10 percent of the total number of shares to AOT.

The considerations paid to AOT for the grant of rights to provide aviation fuel transportation service at Suvarnabhumi Airport are calculated at the rate of 2 percent of TARCO's revenue before deducting any expenses from the year of commencement of operations on a yearly basis. The calculation of considerations shall be in accordance with the accounting principles that meet international standards and the principles that shall be agreed by both contract parties. Such compensation is normally paid to AOT as the contract party, i.e. the grantor, not TARCO's shareholder.

TARCO was awarded the right to expand investments and execute the project of fuel hydrant pipeline transportation system phase 2 at Suvarnabhumi Airport by AOT in 2014. The remaining period of existing concessionaire agreement is around 17 years until September 27, 2036 in

line with the capacity expansion plan to handle passengers at Suvarnabhumi Airport. The considerations paid to AOT are at the rate of 18 percent of the total revenue from the operation of the fuel hydrant pipeline transportation system phase 2 before deducting any expenses. The proportion of AOT's shareholding in TARCO was also adjusted from previously 10 percent to 25 percent upon the signing of amendments to the concession agreement without any payment or expense incurred to AOT.

## **2. Fuel Pipeline Transportation Ltd. (FPT)**

FPT was established on July 22, 1991 to operate the maintenance and transportation of fuel through underground pipeline systems which were built along the railway, with a total distance of 675 kilometers, from Bang Chak Oil Refinery, passing through Shell and Chevron Depots at Chongnonsri, to Don Mueang Aviation Fuel Storage Station and Suvarnabhumi Aviation Fuel Storage Station, and ending at Bang-Pa-In Depot of FPT, Bang-Pa-In District, Phra Nakhon Si Ayutthaya Province, Phichit Depot, Wachirabarami District, Phichit Province, and Lampang Depot, Sop Prap District, Lampang Province, a center of receipt and supply of fuel to the Central and Northern Thailand. The main objective of the establishment of FPT is to enhance national energy security, reduce large truck accidents, lessen pollution affecting the environment and road traffic congestion in Bangkok due to other modes of fuel transportation such as trucks and trains.

Since December 25, 2012, FPT, a subsidiary, had registered and paid-up capital of 139.27 million Baht. Later on February 3, 2014, FPT increased its capital to 260.67 million Baht by issuing 24,278,941 ordinary shares to BAFS and other shareholders of JP-One Asset Company Limited in exchange for its properties that operates fuel transportation through underground pipeline systems from Makkasan to Suvarnabhumi Airport by laying additional underground pipelines along the railway to Suvarnabhumi Aviation Fuel Storage Station. In 2016, BAFS sold its fractional shares in FPT to PTG Logistics Company Limited (PTG). As of December 31, 2020, the shareholding structure consisted of BAFS holding 75 percent, PTG holding 9.55 percent, Bangkok Airways Public Co.,Ltd. holding 7.00 percent, Bangchak Corporation Public Company Limited holding 4.95 percent, and other shareholders holding the aggregate of 3.50 percent.

## **3. Intoplane Services Company Limited (IPS)**

IPS was established on June 11, 1986. As of December 31, 1986, IPS had registered and paid-up capital of 120,000 Baht. The shareholding structure consists of BAFS holding 83.33 percent and PTT Oil and Retail Business Public Company Limited (PTTOR) holding 16.67 percent.

IPS provides labor contracting services for aviation refuelling services. Initially, IPS provided services for the airlines. However, given that BAFS had a policy to operate the services on its own, IPS then did not operate any business since 1993 until September 2001. Later, IPS began providing services at Samui Airport and Sukhothai Airport in October 2001, while at Trat Airport in March 2015. Since 2019, IPS has increased its labor contracting services to accommodate the Northern Fuel Pipeline Project for FPT.

4. **BAFS Innovation Development Company Limited (BID)**

BID was established on December 15, 2016. As of December 31, 2020, BID had registered and fully paid-up capital of 70,000,000 Baht with an aim to operate its core business relating to the study, analysis, research, development, improvement, design, manufacturing and sale of products as well as licensing and provision of innovation and technology services. BAFS holds a 100 percent stake in BID.

5. **BAFS INTECH Company Limited (BAFS INTECH)**

BAFS INTECH was established on June 5, 2018. As of December 31, 2020, BAFS INTECH had registered capital of 60,000,000 Baht with an aim to provide design, manufacturing, and assembly services for refuellers with both diesel engines and e-dispensers, design for manufacturing of refueling skids (Refueling Skid) including equipment relating to aviation refuelling systems, heavy maintenance and refurbishment services (Heavy Maintenance) and refurbishment services for dispensers, oil spill cleanup vehicles (Flushing), low point drains, ground handling service vehicles, and so on. The shareholding structure consists of BAFS holding 90 percent and Uniwave Limited holding 10 percent.

6. **BAFS Clean Energy Corporation Company Limited (BC)**

BC was established on March 5, 2020, BC had registered capital of 500,000,000 Baht to operate investment business or invest in renewable energy and environment both domestically and internationally as well as provide services relating to management, technology, financial management and other supporting services in connection with renewable energy and environmental businesses. BAFS holds a 100 percent stake in BC.

(2) BAFS Shareholdings in BAFS Group

Name/Head Office Location	Type of Business	Type of Share	Paid-up Capital (Million Baht)	Shareholding Percentage (%)
<b>Thai Aviation Refuelling Co., Ltd.</b> 99 Moo 10, Srisa Jorakhanoi, Bang Saothong, Samut Prakran 10570 Tel : 0 2134 4021-6 Fax : 0 2134 0420	Aviation fuel service through hydrant pipeline network at Suvarnabhumi Airport	Ordinary	530.00	90.00

Name/Head Office Location	Type of Business	Type of Share	Paid-up Capital (Million Baht)	Shareholding Percentage (%)
<b>Fuel Pipeline Transportation Ltd.</b> 424 Kamphaeng Phet 6 Road., Don Mueang, Don Mueang, Bangkok 10210 Tel : 0 2574 6180-3 Fax : 0 2574 6101	Fuel storage and fuel transportation through underground pipeline system	Ordinary	3,660.67	75.00
<b>Intoplane Services Co., Ltd.</b> 171/2 Kamphaeng Phet 6 Road., Don Mueang, Don Mueang, Bangkok 10210 Tel : 0 2834 8982-3 Fax : 0 2834 8999	Labor contracting service for aircraft refuelling only which currently operates at Samui Airport, Sukhothai Airport and Trat Airport	Ordinary	0.12	83.33
<b>BAFS Innovation Development Co., Ltd.</b> 99 Moo 10 Srisa jorakhanoi, Bang Saothong, Samut Prakan 10570 Tel : 0 2326 3800	Research, development, design and improvement of innovative products including licensing and services of technology and innovation	Ordinary	70.00	100.00
<b>BAFS INTECH Co., Ltd.</b> 777/5-8 Moo.9 Tip 6 Bangpla, Bangplee Samutprakarn 10540 Tel : 0 2130 5881-3 Fax: 0 2130 5884	Design and assembly aviation refuelling vehicle and aviation ground service equipment	Ordinary	60.00	90.00
<b>BAFS Clean Energy Corporation Co., Ltd.</b> 99 Moo 10 Srisa jorakhanoi, Bang Saothong, Samut Prakan 10570 Tel : 0 2326 3800	Invest or joint invest in the projects relating to renewable energy and environment for both domestic and international. Including providing administrative service, technical service, financial management and other support services related to the renewable energy and environmental business.	Ordinary	500.00	100.00

Name/Head Office Location	Type of Business	Type of Share	Paid-up Capital (Million Baht)	Shareholding Percentage (%)
<b>BPTG Co., Ltd.</b> 90 CW TOWER A (33 <sup>rd</sup> Floor), Ratchadaphisek Road, HuayKwang Bangkok, 10310 Tel : 0 2168 3378 Fax : 0 2168 3379	Petrol stations located in the front area of Pichit Depot, Lampang Depot, and Kampang Petch Booster Pump Station of Fuel Pipeline Transportation Co., Ltd.	Ordinary	100.00	40.00
<b>P.S. Solutions and Consulting Co., Ltd.</b> 29/9 Moo 6 Borommaratchachonnani Rd., Salathammassop, Thaweewattana, Bangkok 10170 Tel: 0 2180 8888 Fax: 0 2117 4370	Wholesale and retail computer and server products and computer systems consulting services and solutions	Ordinary	10.00	30.00
<b>SDLT Co., Ltd.</b> 3803 Qiss Tower, Floor 3 <sup>rd</sup> , Room No. A2-303 Rama IV Rd, Phra Khanong, Khlong Toei, Bangkok, 10110 Tel: 0 2339 3872-3	Design, development and management of Distributed Ledger Technology (DLT) and business case and value creation model development services	Ordinary	40.00	45.00

**1.3.2 BAFS has Persons that may Have Conflict of Interest by Holding Shares in Subsidiaries of more than 10% of Voting Shares of Such Subsidiaries.** PTT Oil and Retail Business Public Company Limited (previously PTT Public Company Limited) holding 16.67% shares in Intoplane Services Company Limited, BAFS's subsidiary. The shareholding structure of the person who may have conflict of interest in such subsidiary occurred before the listing of BAFS on the Stock Exchange of Thailand.

**1.3.3 Relationship with the Business Groups of Major Shareholders**

BAFS has no relationship with and does not take part in the business groups of major shareholders. BAFS operates its core business in a way that does not rely on major shareholders such as giving or accepting financial assistance and technical assistance as well as does not share the same brand and compete in other businesses with the business groups of major shareholders.



### 1.3.4 Shareholders

#### (1) List of Major Shareholders

1.1 List of 10 major shareholders as of December 18, 2020 (on latest share register closing date) are as follows:

List of Names	Number of Shares	Holding (%)
1. Thai Airways International Public Company Limited	143,983,125	22.59
2. Bangkok Airways Public Company Limited	63,737,000	10.00
3. Esso (Thailand) Public Company Limited	45,000,000	7.06
4. The Shell Company of Thailand Limited	45,000,000	7.06
5. PTT Oil and Retail Business Public Company Limited	45,000,000	7.06
6. Airports of Thailand Public Company Limited	31,500,000	4.94
7. Chevron (Thailand) Limited	16,000,000	2.51
8. Singapore Petroleum (Thailand) Company Limited	12,750,000	2.00
9. Air Total (Thailand) Company Limited	12,750,000	2.00
10. SUSCO Dealers Company Limited	12,750,000	2.00

1.2 The major shareholder group in any manner that significantly influences the formulation of management policy or operations of BAFS -None-

(2) Holding Company -None-

(3) Shareholders' Agreement -None-

### 1.4 Number of Registered Capital and Paid-Up Capital

1.4.1 **Registered Capital and Paid-Up Capital** of Bangkok Aviation Fuel Services Public Company Limited as of December 31, 2020 as follows:

Registered Capital	637,496,657	Baht
Paid-Up Capital	637,496,153	Baht
Ordinary Shares	637,496,153	Shares
Par Value	1	Baht

BAFS was listed on the Stock Exchange of Thailand.

1.4.2 **Other Shares that Come with Conditions and Rights that are Different from the Ordinary Shares**

-None-

1.4.3 **BAFS's Shares or Convertible Securities are Retained Earnings for Investments in Thai Trust Fund and NVDR**

-None-

## 1.5 Issuance of Other Securities

### 1.5.1 Convertible Securities

- None -

### 1.5.2 Debt Securities

On 13 November 2019, the meeting of BAFS's Board of Directors No. 4/2019 passed a resolution granting approval for BAFS to issue Baht 1,000 million of senior unsecured registered debentures without a debenture holder's representative and bear interest at a rate of 2.75 percent per annum, payable semi-annually throughout the term of the debentures, to be offered for sales to institutional investor (PP-II) in accordance with the Notification of the Securities and Exchange Commission. The debentures have a 10-year tenure. The redemption date will be on 7 February 2030.

BAFS is required to maintain certain debt-to-equity ratio based on the financial statements for each accounting year throughout the term of debenture at the rate prescribed.

## 1.6 Dividend Payment Policy

### 1.6.1 BAFS's Policy

BAFS imposes policy to pay dividends to its shareholders in the amount of not less than 50% of net profit after tax, and legal reserve and other reserves in the amount of not less than 10% by calculating from the net profit as of the Company's financial statement. Only such ratio of dividend declaration in subject to Company's liquidity and investment plans. Over the past years, the Company had paid the dividends in accordance with its policy with detail as follows:

Year	Dividend Payment (million Baht)	Dividend Per Share (Baht)	Percentage of Net Profit (the Company's Financial Statements)	
			Before Reserves Deduction	After Reserves Deduction
2019	796.9	1.25	64	81
2018	873.4	1.37	93	116
2017	796.9	1.25	93	116
2016	956.2	1.50	68	85
2015	701.2	1.10	82	103

However, the Coronavirus Disease 2019 (COVID-19) outbreak situation caused a loss before tax of 27.2 million Baht. Then, BAFS will omit profit allocation and dividend payment of the 2020 operating results to the shareholders, which will be further presented to the 2021 Annual General Meeting of Shareholders.

### 1.6.2 Subsidiaries' Policies

BAFS's subsidiaries impose the dividend payment policies with details as follows:

- Thai Aviation Refuelling Company Limited imposes the dividend payment policy in the amount of not less than 50% of the net operating profit in a given accounting year or retained earnings according to the Board of Directors' meeting and shareholders' meeting.
- Fuel Pipeline Transportation Limited imposes the dividend payment policy, whereas the amount of dividends paid out considered by the Board of Directors is depended on the Company's liquidity and business expansion plan.
- BAFS Clean Energy Corporation Company Limited imposes the dividend payment policy in the amount of not less than 50% of the net profit.
- Intoplane Services Company Limited, BAFS Innovation Development Company Limited, and BAFS INTECH Company Limited have not had the dividend payment policy to the shareholders yet.

## 2. Risk Management



52

### 2.1 Risk Management Policy and Plan

Bangkok Aviation Fuel Services Public Company Limited (BAFS) is aware of the changes in internal and external factors that have negative impacts deemed as risks, and positive impacts that create business opportunities in terms of economic, social and environmental aspects. Therefore, BAFS has established a risk management policy in parallel with the strategic management that is in line with risk management framework pursuant to the international standards, COSO ERM 2017 : The Committee of Sponsoring Organizations of the Treadway Commission - Enterprise Risk Management 2017 that highlights the integration of risk management and strategic management into the same process coupled with the CG Code 2017 to create sustainable business value. Moreover, BAFS regularly reviews the risk management policy on a yearly basis and improves risk management to be in alignment with such policy, thus leading to the ongoing risk management process.

#### Risk Management Structure

BAFS has 2 levels of risk management, namely, (1) Corporate risk, which is proceeded through the Risk Management Committee (RMC) appointed by the Board Committee. The RMC is responsible for setting up a policy and oversee risk management of BAFS and subsidiaries (BAFS Group), while the Audit Committee (AC) reviews the risk management system on a quarterly basis and quarterly risk management is reported to the Board Committee for acknowledgement (2) Functional risk, which is managed by executives of each department. A risk management plan in accordance with the corporate risk is also developed. In addition, the progress of two levels of risk management is reported on a quarterly basis in electronic forms to be stored in a corporate risk database which allows for future reference.



### Risk Management tools

BAFS has adopted risk management tools within the risk management framework of COSO ERM 2017 such as assessing the level of risk and identifying the risk management plan to achieve the target risk level with the risk assessment matrix and shown the level of risk by the risk map, also risk appetite and risk tolerance identification according to the strategic goals as well as determined key risk indicators and trigger points as an early warning system to establish BAFS's risk tolerance and maintain the achievement of strategic objectives.

The continuous success of risk management has established all risk factors within its tolerance. However, the risk posed by the COVID-19 outbreak in 2020 significantly affected the aviation industry as well as BAFS's core revenue. In this regard, BAFS determined the maintenance of a minimum cash flow that was enough to cover regular expenses and loan installment with interest as a key risk indicator; furthermore, BAFS issued the expenditure measures to cut unnecessary expenses and postpone non-urgent investments in order to reduce financial impacts. BAFS also held the senior staff meeting, where the top executive had explained the situation and risks facing BAFS and boosted employee morale by promising that BAFS still gave priority to the employees at all levels and had no termination of employment policy while encouraging them to pool their efforts in the expenditure measures to get through the COVID-19 crisis.

## **2.2 BAFS's Business Risk Factors**

### **2.2.1 Risk Factors Affecting BAFS and Subsidiaries' Business Operations**

BAFS's core business comprising fuel storage system and into-plane services at 5 airports. Its core revenue sources are Don Mueang International Airport and Suvarnabhumi Airport. The services are also provided to regional airports including Samui, Sukhothai, and Trat airports. The service fees are collected from the oil companies and Thai Airways International Plc., an airline that supplies its own aviation fuel. Such customers are BAFS's major shareholders although BAFS relies on more than 30 percent of the revenue from one oil company. However, BAFS has only one competitor in into-plane refuelling service at Suvarnabhumi Airport, BAFS, therefore, has low-risk exposure level in terms of customer loss. Other risk factors influencing a drop in into-plane refuelling volume and still being monitored by BAFS, include political turmoil, global economic crisis, COVID-19 pandemic, natural disasters, passenger handling capacity expansion projects of Airports of Thailand Plc., new aircraft fuel efficiency, high-speed train projects, and so on. Meanwhile, the investments in different portions of shares of 6 subsidiaries were also carried out to strengthen and increase business competitiveness, and diversify revenue risks by expanding new businesses. Such businesses are exposed to different risk factors based on their nature. However, the RMC is in charge of overseeing overall risk management. The risk factors can be concluded as follows:

## 1. Risks from Dependence on Core Business and Related Businesses as Revenue Sources

BAFS's core business and the businesses related to into-plane refuelling service operated by its subsidiaries, including Thai Aviation Refuelling Company Limited (TARCO), Fuel Pipeline Transportation Company Limited (FPT), Intoplane Services Company Limited (IPS), and BAFS INTECH Company Limited (BAFS INTECH), are all exposed to the same risk factor, i.e. the interdependence between revenue growth and aviation industry growth. However, FPT's revenue still comes from its transportation services of other fuels, other than aviation fuel. In 2020, the global aviation industry and BAFS's financial performance were severely affected by the COVID-19 outbreak. Such factor still exists in 2021 due to low volumes of global air traffic movements compared to those in 2019 before the occurrence of the COVID-19 outbreak. The recovery of the aviation industry mainly depends on the effectiveness of COVID-19 vaccines.

However, BAFS diversified risks to reduce the impacts from its dependence on revenue from the aviation industry by expanding new businesses through its subsidiaries, including the acquisition of solar power plants that successfully achieved the commercial operation date. Upon completion of the acquisition, the subsidiaries will regularly obtain cash flow from the operations according to the remaining period of power purchase agreements (PPAs). Moreover, BAFS invested in innovation and digital technology in response to a rapid growth of such business. Therefore, BAFS is confident that it will continuously receive dividends from such business in the future.

## 2. Risks from Investment Projects

BAFS invests in various projects and expands its business through subsidiaries. Each project is exposed to different risks based on the types of investments. However, BAFS has set approaches to project risk management as follows:

### 2.1 Risk Management in BAFS's Investment Projects

A risk assessment and a risk management plan are required for a project with investment from 30 million Baht. The progress of the risk management plan is continuously reported until the project is completed. In this regard, BAFS also set a project steering committee to control construction works and an inspection and acceptance committee to inspect works and affirm project success.

### 2.2 Risk Management in Business Expansion Investment Projects through Subsidiaries

BAFS determines that due diligence shall be strictly conducted on every investment project. BAFS also prepares expert consultants to provide and strengthen knowledge and understanding of businesses for project operators. In addition, BAFS appoints individuals at management level who are knowledgeable and competent to assume the position of top executive in each company and report their performance to the Executive Committee meeting on a monthly basis and to the Board Committee Meeting on a 6-month basis. The RMC is authorized to oversee BAFS Group's project risk management, while the subsidiaries' executives are required to report project progress and risk management in various issues to the RMC meeting on a quarterly basis.

### 3. Financial Risks

BAFS and subsidiaries (BAFS Group) applied for loans in order to invest in its business expansion projects. Such loan applications affected its credit scores at the early stages of business expansion involving large capital costs. However, once the business experiences growth and generates continual profits, BAFS can receive dividends according to the portions of shares held. The credit rating varies depending on the financial ratio in each period. The Board Committee of each company is responsible for overseeing the loan payment obligations prescribed in each loan agreement. Their performance is reported to the Executive Committee on a monthly basis and the Board Committee on a half-yearly basis. Moreover, BAFS has in place circumspect and efficient financial risk management by determining financial risk appetite, tolerance and key risk indicators to regularly monitor and control its financial status to be on risk tolerance. BAFS also conducts a cash flow forecast to consistently manage liquidity risk. Such financial risk management is determined to be a corporate risk management. Therefore, the RMC is responsible for supervising comprehensive financial risk management, including the auditing by the AC and the reporting to the Board Committee, respectively.

### 4. Emerging Risks

At present, various business factors are rapidly changing. Therefore, BAFS has to consistently monitor emerging risks to prepare for an efficient risk response plan before its business operations are impacted as follows:

#### 4.1 Risks from Technological Advancements and Alternative Energy

Technological advancements and alternative energy currently play a more active role. Also, the government has an environmental policy that declares an intention to reduce greenhouse gas emissions in accordance with the Paris Agreement on Climate Change and Promotion of Renewable and Alternative Energy by setting a target to increase the proportion of renewable energy, including electric power, thermal power and biofuel, in 2036 to be 30 percent of final energy consumption. BAFS considers that such risks are opportunities for expanding businesses relating to renewable energy and environment through subsidiaries as well as changing fuel-powered aircraft refuelling equipment and ground support equipment to battery-operated ones.

#### 4.2 Risks from Changes Derived from the Application of Digital Technology

Presently, digital technology plays an important role in business operations by ensuring greater rapidity and higher efficiency due to application of technologies such as communications technology in a borderless world, cloud, big data, robotics, machine learning, and artificial intelligence (AI), etc. Thus, if a business pays no attention to such change streams, it may cause high-impact risks. For this reason, today's businesses have reformed their operations in order to sustain their businesses and seek for new opportunities to expand digital businesses. BAFS also regards such emerging risks as opportunities to expand digital and software business investments through subsidiaries in response to fast-growing trends of such business as well as develop products to increase efficiency of into-plane service business which is BAFS's core business.



#### 4.3 Risks from Cyber Threats

Increased reliance on technology and ransomware threats may cause BAFS's computer operating system or network to be malfunctioning and business interruption. The disclosure of personal or confidential information to unreliable environment is also an information technology risk. Therefore, BAFS identifies the information technology risk as the corporate risk, whereas the performance on such risk management shall be reported to the RMC, the AC, and the Board Committee, respectively. An external auditor is also hired to audit the safety of the system on a regular basis.

### 5. Environmental, Social, and Good Corporate Governance Risks

#### 5.1 Risks of Climate Change

Climate change has evidently caused more serious impacts on the environment, ecology, and surrounding environment. The activities using fossil fuels, deforestation, and industrial plants are drivers of global warming which will further lead to dangerous climate change, for example, PM2.5 situation and greenhouse effect. They are worldwide problems that are growing in importance and are to be solved to reduce greenhouse gas emissions in a concrete manner. Given Thailand's membership of Global Market Base Measure : GMBM in Pilot Phase 2021 - 2023, BAFS has been then exposed to the risk driven by change in regulation: GMBM in CORSIA, a carbon tax collection in the aviation industry.

To mitigate levels of risks related to climate change, BAFS then established a Greenhouse Gas Emission Reduction Committee, a gathering of representatives from subsidiaries, to jointly conduct studies and seek ways to develop alternative and renewable energy and include a greenhouse gas reduction plan in the Sustainability Strategy since 2018 until present by joining Thailand Voluntary Emission Reduction Program (T-VER) of Thailand Greenhouse Gas Management Organization (Public Organization) to calculate carbon credits. BAFS Group was certified as a carbon neutral company in 2020.

BAFS also joined the Carbon Disclosure Project (CDP) and Verra (<https://verra.org>) which are greenhouse gas reduction projects at international level. BAFS will receive carbon credits and used them in the future. Upon the completion of the Northern multi-product pipeline network expansion project of FPT, climate variability can then be mitigated tangibly. Moreover, BAFS considered alternative and renewable energy as business models for BAFS Group, for example, the renewable energy power plant project of BAFS Clean Energy Corporation Company Limited (BC).

#### 5.2 Risks of Crises and Business Disruption

BAFS operates comprehensive into-plane services by focusing on service quality excellence with the highest safety standards and in accordance with international standards to deliver value expected by the stakeholders across the supply chain in terms of social, economic, and environmental dimensions in a balanced manner. Therefore, BAFS has in place a management system according to international standards to control operating procedures in all processes and ensure the quality and safety. It has been certified by the Quality Management System

ISO 9001:2015 and the Occupational Health and Safety Management Systems ISO 45001:2018. BAFS has also implemented Safety Management System (SMS) which is a system established by the International Civil Aviation Organization (ICAO) and widely adopted by the aviation business operators worldwide to prevent aircraft accident.

Moreover, BAFS has established a Crisis Management Center (CMC) to analyze and control crises that may affect BAFS and subsidiaries' operations. In case of risks from severe situations that may affect business continuity as well as reputation, community, society and environment, such risks may derive from external factors such as natural disasters, security threats, or pandemic threats, or internal factors such as overflow of fuel tanks resulting in fires and disruption in fuel transportation. BAFS has prepared for measures to prevent and reduce the potential impacts by implementing a Business Continuity Management System (BCMS) according to the ISO 22301:2012 Standard to identify threats and impacts on business operations as well as increasing BAFS's capacity to respond to and safeguard the stakeholders' interests, reputation, image, and value-creating activities of BAFS.

### 5.3 Corporate Governance Risks

**5.3.1 Fraud and Corruption Risks** Details can be found in Topic 6 Corporate Governance.

#### 2.2.2 Risks of Non-Dividend-Paying Stocks

BAFS focuses on sustainable and continuous growth by developing investment plans for business expansion with prudence and in strict compliance with the principles of good corporate governance. The Company also regularly takes into account cash flow and the ability to pay dividends to shareholders for long-term operations in line with the Company's performance each year.

For the operating results of BAFS Group in 2020, the COVID-19 outbreak that has globally spread in a wide area caused many countries as well as Thailand to impose the strict measures on both inbound and outbound travel restrictions, resulting in a significant disruption of air travel, and increased concerns over the new wave of the outbreak, affecting BAFS Groups' performance to experience losses. Therefore, BAFS cannot pay dividends to the shareholders. However, BAFS expects that its performance will gradually recover in the future if the outbreak situation is brought under control and effective vaccines are widely used in the future.

Based on BAFS Group's strategic plan which aims at creating sustainability and diversifying risks of revenue through the balance of revenue structure from the core business and non-core businesses in similar proportion. In 2020, BAFS established BAFS Clean Energy Corporation Company Limited with registered capital of 500 million Baht to operate investment business or invest in renewable energy and environment projects both domestically and internationally. By the end of 2020, the Company has entered into a transaction to invest in the domestic solar power plant business. If the project is successful, it will be the first step that BAFS Group has entered into power generation and distribution business from renewable energy. It is an investment expansion in new businesses that will help generating stable revenue and profits as well as diversify risks from the dependence of the into-plane service business as its core business and create good returns to the shareholders in the long run.

### 3. Driving Sustainable Business



58

#### 3.1 Sustainability Policy and Goals

According to its business philosophy, BAFS is committed to being a good role model as an energy service leader operating the business within the sustainability framework covering three dimensions, gaining stakeholder acceptance to generate public and national benefits as well as being a partner for sustainable development by delivering business value to the stakeholders in the way that can contribute to the achievement of Sustainable Development Goals (SDGs) in the 2030 timeframe set by the United Nations (UN).

BAFS established a “Sustainability Policy” which stipulates key sustainability objectives, goals and strategies within the framework of good corporate governance and upholds operational excellence through good service quality that meets the highest safety standards and international standard requirements to deliver expected value to the stakeholders in a balanced manner, encompassing the economic, social and environmental dimensions. (The full Sustainability Report can be found at <https://www.bafsthai.com/storage/download/sustainability/policy/20180507-bafs-sustainability-th.pdf>)

In addition to the Sustainability Policy, BAFS has imposed other policies which are consistent with the sustainability context categorized into 3 dimensions including economy, social and environment. BAFS has also adopted standardized and systematic management tools that meet national and international standards to operate its business in order to achieve sustainability.

(Details of the Sustainability Master Plan) Reference is made to the 2020 Sustainable Development Report under the heading of Sustainability Principles and Operational Framework in response to the Sustainable Development Goals (SDGs) [www.bafsthai.com](http://www.bafsthai.com).

(2020 Sustainability Performance in Economic, Social, and Environmental Dimensions) Reference is made to the 2020 Annual Report or [www.bafsthai.com](http://www.bafsthai.com).



## 3.2 Management of Impacts on Stakeholders across the Business Value Chain

BAFS has conducted business in a responsible manner towards all stakeholder groups affected positively and negatively by its business process. BAFS sets up an explicit sustainability framework while determining material topics based on internal and external factors as well as stakeholder expectations across its supply chain. Therefore, BAFS' sustainable development has not been focused only on operational process and service delivery, but also related-business operations across the supply chain.

BAFS reviewed stakeholders, prioritized stakeholder groups, and identified stakeholder needs and expectations as well as developed a stakeholder response plan. In 2020, BAFS reviewed stakeholder groups. The result of the review still consisted of the 7 existing stakeholder groups: 1. Shareholders; 2. Customers; 3. Regulators; 4. Employees; 5. Business Partners; 6. Society, Community and Environment; and 7. Competitors. BAFS' stakeholder engagement plans are clearly developed each year.

(Details of the heading of Stakeholder Engagement and Materiality) Reference is made to the 2020 Sustainable Development Report or [www.bafsthailand.com](http://www.bafsthailand.com).

## 3.3 Management of Environmental Dimension of Sustainability

### 3.3.1 Environmental Policy and Practices

BAFS protects the environment, promotes resource efficiency in all business processes and encourages the alternative energy use. Therefore, BAFS sets up a Green Committee to implement energy management within the organization. BAFS also develops an energy conservation policy to ensure that its energy management is in compliance with the Ministerial Regulations Prescribing Energy Management Standards, Criteria and Procedures for Designated Factory and Building B.E. 2552 (2009), as follows:

1. BAFS shall operate and develop energy management system appropriately. It is regarded as part of BAFS's business operations and has to be implemented in accordance with the laws and other relevant regulations.
2. BAFS shall continuously improve energy efficiency which is appropriate for business nature, technology and best practices.
3. BAFS shall set its annual plan and goals for energy conservation appropriately and communicate them to all employees for correct understanding and practice.
4. BAFS shall consider that energy conservation is the responsibility of all executives and employees at all levels to cooperate and follow the stipulated measures in order to accomplish its goals
5. BAFS shall support human resources, budget, working hours as well as trainings, and encourage all employees' participation in expressing their opinions for energy operation improvement.
6. The executives and the Energy Management Committee (the Green Committee) review and revise the policy, goals, and energy management plans to ensure their appropriateness and consistency with current situations on a yearly basis.

In addition, BAFS develops an environment and climate change policy to announce its commitment to protecting the environment protection and preventing the potential environmental impacts as well as raising environmental awareness among all employees. The details are as follows:

1. To abide by environmental laws, regulations and standards relating to the Company's operations;
2. To be aware of climate change and minimize the environmental impacts arising from the Company's business operations;
3. To raise environmental awareness and enhance employees' knowledge on climate change continuously;
4. To prepare a carbon footprint report and establish practical guidelines for reducing greenhouse gas emissions arising from the Company's business operations;
5. To disclose the Company's environmental information through appropriate channels.

### 3.3.2 Environmental Performance

In 2020, BAFS prepared a report on the volume of greenhouse gas emissions according to the recognized standards. BAFS then received a certificate from Thailand Greenhouse Gas Management Organization (Public Organization) at the event entitled "Jointly Mitigating Global Warming 2020" held by on September 16, 2020.

Additionally, BAFS prepared a monitoring report on BAFS Solar Cell Project which has been registered with Thailand Voluntary Emission Reduction Program (T-VER). The T-VER program monitors the results of greenhouse gas reduction that can be verified. The amounts of greenhouse gas emissions that were decreased can be registered as carbon credits.

The solar power system installation project aims to generate electricity from renewable energy (sunlight) to replace the electricity delivered through the On-Grid Renewable Electricity Generation system. The solar cell systems were installed at Suvarnabhumi Airport Depot and Don Mueang Airport Depot with total installed capacity of 143.42 kWp. within 9 months from June 1, 2019 - May 31, 2020. The project can reduce consumption of energy for 193,3376 kWh and greenhouse gas emissions for 109 tons of carbon dioxide equivalents.

Moreover, BAFS has supported and encouraged its employees to use resources efficiently. In 2020, mainly raised employees' awareness of the importance of efficient use of electricity and water resources through campaigns as well as enhancement of employees' knowledge through trainings on the environment and efficient use of resources. The campaign activities in 2020 included:

#### 1. Earth Hour Campaign Activity

BAFS's Earth Hour activity is organized on the last Friday of March every year. However, due to the Coronavirus Disease situation, BAFS then encouraged its employees to turn off any unnecessary lights at their own residence for 60 minutes from 12.00 - 13.00 hrs. on Friday, March 28, 2019. As a result, the campaign activity can reduce energy consumption for 375 kWh.

#### 2. Cultivating Energy Conservation Awareness

BAFS sent its employees to take a study visit to the ASEAN SUSTAINABLE ENERGY WEEK and attended a seminar on 5G and Edge ConneX Data Centers, lectured by Dr. Phichet Rerkpreecha, CEO of Line Thailand, on September 24, 2020 at Bangkok International Trade & Exhibition Centre (BITEC).



### 3. Training program on Energy Auditor and Certification (Expert Assistant Level)

BAFS encouraged its employees to attend the training program on in-depth energy audit and certification, instructed by Mr. Jirayut Charoenchatchai from Bright Management Consulting Company Limited, with an aim to enhance their correct knowledge and understanding of energy audit and certification criteria and procedures pursuant to the laws and develop energy auditors at expert assistant level. The 2-day training program was held during December 3 - 4, 2020. The 1-hour test was also conducted by the Division of Energy Human Resource Development at BAFS Grand Hall, Building 9, Don Mueang Aviation Fuel Storage Station.

### 4. Energy Challenge Activity

BAFS organized an Energy Challenge activity during December 11 - 18, 2020. The activity came in online questions and answers of the energy and environmental conservation relating to BAFS's operations as well as offered the employees an opportunity to present energy conservation ideas that were suitable for BAFS's operations.

### 5. Water Saving Campaign

Although water resource is not a key factor for BAFS's business operations; however, BAFS recognizes the importance of water resource efficiency. Therefore, BAFS sets its target to reduce water consumption by 5 percent from the average monthly water consumption of last four years and offers each department an opportunity to jointly reduce water consumption in its own practice. In 2020, BAFS can reduce water consumption with the average monthly water consumption below the specified target, representing 351 cubic meters or a 16 percent decrease. When considering the comparison of water consumption between 2019 and 2020, BAFS can reduce water consumption (the whole year) by 321 cubic meters or a 1 percent decrease.

Moreover, BAFS minimizes paper waste by sharing documents internally and externally via e-mail and applying an E-document system to different areas of its operations, for example, an arrangement of Board of Directors and executive meetings.

(Details of the heading of Environmental Dimension of Sustainability) Reference is made to the 2020 Sustainable Development Report or <https://www.bafsthai.com/th/sustainability/sustainability-in-practice/environmental-sustainability>.





### 3.4 Management of Social Dimension of Sustainability

#### 3.4.1 Social Policy and Practices

BAFS operates business with corporate social responsibility by imposing the Corporate Social Responsibility (CSR) policy within the principles of good corporate governance while executing corporate social responsibility both internally and externally as well as caring about the environment continuously to maintain the balance of economic, social and environmental operations, thereby leading to business sustainability. BAFS upholds CSR practices in line with the CSR policy, which lies at the heart of business operations with responsibility to enhance credibility and recognition in the international level as well as deliver value to the society in order to ensure that the business can grow in parallel with the society sustainably.

#### 3.4.2 Social Performance

In 2020, BAFS's social performance can be divided into 4 topics as follows:

##### 1. Safety, Occupational Health, and Working Environment

BAFS gives high priority to safety, occupational health, and working environment for all personnel, comprising full-time employees and employees working shift work hours as well as contractors or external parties carrying out operations inside the organization.

BAFS's vision of "Sustainability in Energy Services with Awareness of Quality Safety and Environment" is one of the material issues for the stakeholders and the organization. In light of such materiality, it leads to strict implementation of the Occupational Health and Safety Management Systems ISO 45001:2018. The development of the safety, occupational health, and working environment policy, the establishment of the Safety, Occupational Health, and Working Environment Committee, the safety management structure, the occupational health, and working environment risk management as well as the activities that articulate the fostering of the corporate safety culture according to BAFS Core Value. The alphabet A represents awareness of safety in all work procedures of employees at all levels and the safety, occupational health, and working environment policy.

(Details of the heading of Safety, Occupational Health, and Working Environment). Reference is made to the 2019 Sustainable Development Report, p.104-105 or [www.bafsthai.com](http://www.bafsthai.com).

(Details of the heading of Performance Result of Safety, Occupational Health, and Working Environment in 2020) Reference is made to the 2020 Sustainable Development Report or [www.bafsthai.com](http://www.bafsthai.com).

##### 2. Responsibility towards Customers and Service Recipients

BAFS is committed to providing into-plane services with efficiency and safety in accordance with the Aviation Fuel Quality Control and Operating Standards of Joint Inspection Group (JIG), which is developed by the organization representing the world's leading oil company and endorsed by the International Air Transport Association (IATA). BAFS receives audit services from JIG Inspector, covering related rules and regulations concerning the aircraft refuelling system equipment, fuel quality control, aircraft refuelling process, HSSE Management System, response to emergencies, and training process. In 2020, BAFS received Good Level, the highest level from each audit conducted by JIG Inspector, for the assessment of into-plane services at Suvarnabhumi Airport and Don Mueang International Airport.

Therefore, it can be assured that BAFS provides into-plane services by emphasizing and maintaining the quality and safety in compliance with JIG standards to deliver value needed by the customers in a balanced manner, in terms of quality, safety, and environment, in order to respond to customer needs properly and create the highest satisfaction with timely services at both Don Mueang

International Airport and Suvarnabhumi Airport. There was neither official customer complaint nor report on direct aircraft accident resulting from the services.

(Details of the heading of Performance in Responsibility towards Customers and Service Recipients in 2020) Reference is made to the 2020 Sustainable Development Report or [www.bafsthai.com](http://www.bafsthai.com).

### 3. Sustainable Personnel

As BAFS's business concerns into-plane services, it is then necessary that the employees must have knowledge, capabilities, skills and specific expertise as well as keep pace with the ongoing changing situations and information to obtain beneficial information for work performance. For this reason, BAFS must select suitable personnel in accordance with the nature of business. For the selection of new employees, BAFS will organize writing, interview, and psychology tests in different situations. Once the new employees are recruited, BAFS places high importance on employee development. BAFS has therefore encouraged its employees to attend the orientation and training programs on business ethics, corporate values, safety, and quality system as well as different basic knowledge before the job training

(Details can be found in the 2018 Sustainable Development Report or p.11 or [www.bafsthai.com](http://www.bafsthai.com))

(Details of the heading of Sustainable Personnel Performance in 2020). Reference is made to the 2020 Sustainable Development Report or [www.bafsthai.com](http://www.bafsthai.com).

### 4. Social and Community Engagement and Development

BAFS engages in the community and society in 2 levels by area: 1. Community and social engagement in area level, and 2. Community and social engagement in broad level. The area level includes 2 major areas for direct support, and 1 area for indirect support via BAFS Group, comprising:

1. Major community area for direct support: the community surrounding Don Mueang Aviation Fuel Storage Station and Suvarnabhumi Aviation Fuel Storage Station as major areas for BAFS's service operations. The activities underlying the annual community engagement plan are as follows:
  - Don Mueang Community: Rom Sai Ngan Pattana Community and Prachakon 3 Community, which are located on both sides of Prem Prachakorn Canal, at the rear of Don Mueang Aviation Fuel Storage Station
  - Suvarnabhumi Community: Moo 2, Moo 9, and Moo 10 Communities, Sisa Chorakhe Noi Subdistrict, Samut Prakan Province
2. Community and social engagement in broad area: the community surrounding BAFS Group's businesses, including the community in Wachira Barami District, Phichit Province, where Phichit Depot is located, and the community in Sop Prap District and Sop Prap Pittayakhom School, Lampang Province, where Lampang Depot of Fuel Pipeline Transportation Limited, which is among BAFS Group, is located. It also includes Phramongkutklao Hospital which provides support and hold the activities together for 13 years and various public benefit organizations that BAFS provides support to, such as Thai Red Cross Society, Muslim Women's Association and other foundations.

Moreover, BAFS gives importance to the maintenance of religion by participating in the religious activities with the surrounding temples as well as promoting and developing the education for the 4 surrounding school networks, namely Wat Hua Ku School, Wat Sri Waree Noi School, Pak Klong Mon School, and Don Mueang Chaturachinda School.

(Details of the heading of Community and Social Engagement and Development in 2020) Reference is made to the 2020 sustainable Development Report or [www.bafsthai.com](http://www.bafsthai.com).

## 4. Management Discussion and Analysis For the Operating Results ended December 31, 2020

### 1. Report and Analysis of Performance

In 2020, the coronavirus (COVID-19) pandemic has significantly disrupted the world and Thailand's aircraft travel and tourism industries. Meanwhile, international governments implemented the international travel restrictions measures, with the number of foreign tourists entering Thailand in 2020 reported by the Ministry of Tourism and Sports at 6.7 million, down from 39.9 million of 2019, or a decrease of 83.2% (y-o-y).

As a result of this incident, the amount of aviation fuel serviced by the Group at Suvarnabhumi Airport (BKK) and Don Mueang Airport (DMK), the growth rate decreased by 61.7% (y-o-y) with 2,354 million litres. The number of refuelling flights decreased by -55.2% (y-o-y), or a total of 137,736 flights, and the total amount of the multi-products fuel transported through pipelines of Fuel Pipeline Transport Co., Ltd. (FPT) totaled to 3,132 million liters, or a decrease of 31.5% (y-o-y) from 4,570 million litres of 2019.

	2020	2019	Growth (y-o-y)
Aviation Refuelling Services Business :			
Aviation Fuel Volume (million litres)	2,354	6,139	(61.7%)
Flights	137,736	307,184	(55.2%)
Fuel Pipeline Transportation Business :			
Multi-products Fuel Volume (million litres)	3,132	4,570	(31.5%)

Note: Total Flights was data of flights that serviced by BAFS only at BKK and DMK

As a result of this situation, the Group's total revenue in 2020 amounted to Bt1,882.5 million, decreased by Bt2,035.8 million or a decrease of -52.0% (y-o-y). This was a significant decrease in the amount of aviation fuel serviced affected by the COVID-19 pandemic, with the Group resulting in a loss to its shareholders of Bt374.3 million. Operating results decreased by Bt1,314.2 million or -139.8% (y-o-y) and were Bt0.59 per share loss.

At the same time, the Company has focused on controlling the risks from liquidity problem. The Group has a policy of maintaining sufficient levels of cash and cash equivalents for the group's operations under current circumstances. The Group has provided sufficient short-term and long-term credit lines from financial institutions to provide reserves in case of necessity and to reduce the impact of future cash flow fluctuations.

Table summarized the operating results of the Group

	2020	2019	Growth (y-o-y)	
			Inc. / (Dec.)	%
Services income	1,804.31	3,872.44	(2,068.13)	(53.4%)
Others income	78.14	45.79	32.35	70.6%
Total revenues	1,882.45	3,918.24	(2,035.78)	(52.0%)
Costs of service	1,528.61	1,829.24	(300.63)	(16.4%)
Gross Profit	275.71	2,043.20	(1,767.50)	(86.5%)

(unit : Bt million)

(unit : Bt million)

	2020	2019	Growth (y-o-y)	
			Inc. / (Dec.)	%
Gross Profit Margin	15.3%	52.8%		
Administrative expenses	588.89	701.39	(112.51)	(16.0%)
Total expenses	2,117.50	2,530.63	(413.14)	(16.3%)
EBIT	(235.04)	1,387.60	(1,622.65)	(116.9%)
EBIT Margin	(12.5%)	35.4%		
Depreciation and amortization	793.88	644.67	149.21	23.1%
EBITDA	558.84	2,032.27	(1,473.43)	(72.5%)
EBITDA Margin	29.7%	51.9%		
Finance income	11.36	37.94	(26.57)	(70.0%)
Finance cost	281.08	196.32	84.76	43.2%
Income tax expenses (benefit)	(87.69)	260.80	(348.49)	(133.6%)
Profit for the period	(418.89)	967.38	(1,386.27)	(143.3%)
Net Profit to Equity holders of the Company	(374.26)	939.92	(1,314.18)	(139.8%)
Net Profit Margin	(22.3%)	24.7%		
Earning per share (Bt)	(0.59)	1.47	(2.06)	(139.8%)

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## 1.1 Revenue

Total revenues in 2020 totaled Bt1,882.5 million, including:

### 1.1.1 Services Income

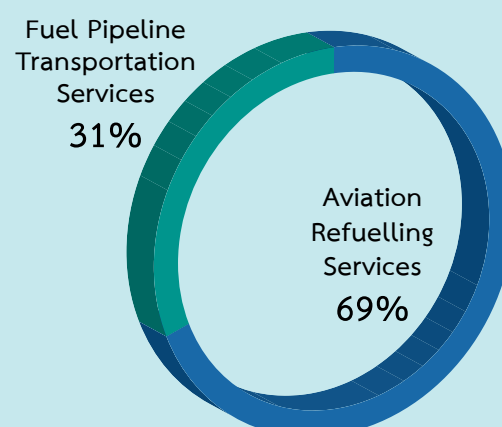
Service Income of Bt1,804.3 million this was down 53.4%(y-o-y) over the past year due to a decrease in the total fuel serviced by the Group from the impact of COVID-19 on aircraft travel. In addition, the slowdown in economic activity resulted in a decrease in the multi-products fuel consumption, but at a lower rate than the declining in aviation fuel services volume.

For the income proportion separating by business structure consisted of Aviation refuelling services at 69% and Fuel pipeline transportation services at 31% respectively.

### 1.1.2 Others Income

Others income of the Group amounted to Bt78.1 million. The company has significantly increased by Bt32.3 million or 70.6% (y-o-y) with mainly from delayed delivery of work of the contractor's operations.

#### Services Income structure in 2020



## 1.2 Expenses

### 1.2.1 Cost of services

The Group had cost of services of Bt1,528.6 million, a decrease of Bt300.6 million, or -16.4% (y-o-y). This was mainly due to the company's strictly cost control measures to reduce the impact of COVID-19 on the group's performance. The reduced expenses are salary-related expenses, wages, annual bonuses, other employee benefit expenses, the Airport concession fee and lease payment on operating expenses. While depreciation increased from the Northern Fuel Pipeline Project (NFPT) to be significant, the Group had a gross operating profit of Bt275.7 million with gross margin was of 15.3%, down from 52.8% in 2019.

### 1.2.2 Administrative Expenses

The Group had administrative expenses of Bt588.9 million. The decrease was of Bt112.5 million or -16.0% (y-o-y) as a result of the strictly cost control measures, with reduced expenses as salary-related expenses, wages, annual bonuses, and other employee benefit expenses, administrative expenses, including the real-estate taxes which have been reduced in accordance with government aid measures.

As a result, the Group had an operating loss before finance costs and taxes (EBIT) of Bt235.0 million, a decrease in profit of Bt1,622.6 million or -116.9%(y-o-y), representing an operating loss before financial and tax margin (EBIT loss margin) at 12.5% with EBITDA of Bt558.8 million. This was a decrease of Bt1,473.4 million, or a decrease of -72.5%(y-o-y), representing an EBITDA margin of 29.7% compared to 51.9% of 2019.

Due to the impact of COVID-19 on the operations of the aviation industry and the overall economy, although the Group has appropriate procedures for regulating lending and has been regularly monitor the outstanding of its account receivables, however, this year, the Group recorded an allowance for expected credit losses from its account receivables of Bt28.7 million but this amount does not significantly affect the liquidity of the business.

### 1.2.3 Finances Cost

The financial cost has amounted to Bt281.1 million, an increase of Bt84.8 million or 43.2% (y-o-y). Due to the Group started recognizing interest expenses on loans from the NFPT-Phase1, Bang Pa-in - Phichit and the interest expenses of debentures No.1/2020 of the company. While the interest arising from the loans for investment in the second phase of the Hydrant pipeline system expansion project at BKK of TARCO and NFPT-Phase2, Kamphaeng Phet - Lampang will be capitalized in the projects' cost then would be amortized over the lifetime of the projects.

## 1.3 Operating Results

The Group had a net loss in the equity of the Company of Bt374.3 million, a decrease in profit of Bt1,314.2 million or -139.8%(y-o-y), and earnings per share of Bt-0.59 per share with a net loss margin of 22.3% is a severe direct impact on the Group's coronavirus outbreak. 2019 (COVID-19).

## 2. Report and Analysis of Financial Status

According to Financial Reporting Standard No.16 (TFRS 16), Leases, which defined principles for the recognition, measurement, presentation, and disclosure of leases that the company commenced from January 1, 2020, onward. As a result, the use of assets and liabilities under the lease agreement of the Group significantly increased.

### 2.1 Assets

As of December 31, 2020, the Group had total assets at the amount of Bt19,465.8 million, increasing by Bt2,119.9 million or 12.2% from December 31, 2019. The important details of cash flow were as follows:

- 2.1.1 Cash and cash equivalent of Bt804.6 million which cash flow summarized for the period were below;-
- The Group's net cash from operation was of Bt440.6 million, decreasing by Bt1,047.5 million or -70.4% (y-o-y)
  - Net cash for investment activities was of Bt2,065.4 million, increasing by Bt659.6 million or 46.9%(y-o-y) which most of the investments are related to the NFPT project
  - Net cash from financing activities was of Bt1,002.9 million, increased by Bt1,163.2 million due to cash received from long term loan drawdown and debentures issued in the amount of Bt2,495.1 million, while the long-term loans and financial lease payment amounted to Bt480.15 million
- 2.1.2 Property, leasehold improvement and equipment as of December 31, 2020 was of Bt14,066.5 million, increasing by Bt1,369.5 million or 10.8%(y-o-y), mostly were increased assets from the NFPT project
- 2.1.3 Right of use assets was of Bt1,307.7 million, an increase of Bt1,280.0 million from Bt27.7 million as of December 31, 2019, by a significant increase which was a result of the implementation of TFRS 16

### 2.2 Liabilities

As of December 31, 2020, the Group had total liabilities of Bt12,698.4 million, increasing by Bt3,216.4 million or 33.9% from December 31, 2019. The total liabilities to total equity ratio was of 1.88:1 time. The liabilities comprised of major items which follows; -

- 2.2.1 Account payable and others account payable was of Bt162.3 million
- 2.2.2 Long term loan from banks, which are due within one year, was of Bt422.0 million which were belonged to BAFS at the amount of Bt321.4 million, TARCO at the amount of Bt68.8 million, FPT at the amount of Bt29.8 million and BAFS INTECH at the amount of Bt2.0 million respectively
- 2.2.3 Long-term loans from banks were Bt8,397.8 million, increasing by Bt1,217.3 million from December 31, 2019 or 17.0%(y-o-y). These comprise of; -
- BAFS
- Long-term loans was of Bt1,446.4 million dues on April 30, 2026 with 3 years grace period and quarterly, principal repayment: Bt80.4 million/period (the last repayment will be made for remaining principal) at a fixed rate per annum



#### TARCO

- Long term loan was of Bt123.8 million, which TARCO had a loan agreement for Bt550 million to invest in the Hydrant pipeline system expansion project Phase II at BKK. The loan will be due on March, 2023 which was quarterly principal repayment at Bt27.5 million at the rate of BIBOR 3-month plus percent of fixed rate per annum

#### FPT

- Long term loan was of Bt62.5 million for the investment in the 3 Diesel Fuel Tanks project at DMK depot. The loan will be due on May 31, 2024 which was monthly principal repayment at Bt2.2 million at the rate of MLR minus percent of fixed rate per annum
- Long term loans was of Bt6,070.0 million and Bt1,100.0 million for the investment in the Northern Multi-Products Fuel Pipeline project which was quarterly principal repayment at MLR less fixed interest rate. The loans will be due on December 31, 2030 and 2032, respectively which is equivalent to loans net of the current portion in one year of Bt6,696.5 million (after net the prepaid bank fees as of September 30, 2020, the amount of Bt7.5 million)
- Long-term loans was of Bt5.1 million for use in Energy conservation projects. The loan will be due in March 2023 which was monthly principal repayment at Bt0.34 million at a fixed percentage per annum

#### BAFS INTECH

- Long term loan was of Bt63.6 million. The loan will be due on July, 2028 which was three-month principal repayment at Bt2.2 million at the rate of MLR minus percent of fixed rate per annum

- 2.2.4 Long-term lease liabilities, net of current portion was of Bt1,366.3 million an increase of Bt1,351.2 million from Bt15.1 million as of December 31, 2019, by a significant increase which is a result of the implementation of TFRS 16
- 2.2.5 Debenture No.1/2020, at the amount of Bt998.3 million
- 2.2.6 The Employee benefit obligations was of Bt1,162.9 million according to Labor Protection Laws as TAS no.19 on employee benefits.

### **2.3 Shareholders' Equity**

As at December 31, 2020, total shareholders' equity was of Bt6,767.4 million, decreased from December 31, 2019 by Bt1,096.4 million or -13.9%(y-o-y) which Bt5,493.1 million was Equity attributable to owners of the Company, decreased by Bt1,024.5 million or -15.7%(y-o-y).

Please be informed accordingly.

Yours sincerely,



(Mr. Prakobkiat Ninnad)

President

## Significant Financial Information

### Financial Statements

#### 1) Summary of Audit Report

From the report of Ms. Vissuta Jariyathanakorn Certified Public Accountant (Thailand) No. 3853 of EY Office Limited as BAFS's auditor is of the opinion that:

I have audited the accompanying consolidated financial statements of Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries (the Company and its subsidiaries), which comprise the consolidated statement of financial position as at December 31, 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Bangkok Aviation Fuel Services Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries and of Bangkok Aviation Fuel Services Public Company Limited as at December 31, 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### 2) Summary of Significant Entries in Consolidated Financial Statements for Significant

A summary of figures can be elaborated in the below table. The entries were made in consolidated financial statements.

#### Summary of Significant Entries in Consolidated Financial Statements for Significant

Unit : million Baht

	Consolidated financial statements		
	2020	2019	2018
Aviation Services Volume (mil litres)	2,354	6,139	6,003
Service income	1,804.31	3,872.44	3,754.34
Total revenues	1,882.45	3,918.24	3,806.60
Cost of services	1,528.61	1,829.24	1,658.94
Gross Profit	275.71	2,043.20	2,095.40
Administrative expenses	588.89	701.39	611.78
Total expenses	2,117.50	2,530.64	2,270.71
Operating profit (loss)	-235.04	1,387.60	1,535.89
Finance cost	281.08	196.32	139.41
Profit (loss) for the year	-418.89	967.38	1,110.20
Profit attributable to Equity holders of the Company	-374.26	939.92	1,050.59
Number of shares (mil shares)	637.50	637.50	637.50
Basic earnings per share Profit (loss) attributable to equity holders of the Company	-0.59	1.47	1.65

Unit : million Baht

	Consolidated financial statements		
	2020	2019	2018
Cash, cash equivalents and Current investments	804.62	2,038.48	2,178.99
Trade and other receivables	158.94	388.26	380.07
Total current assets	1,899.59	2,593.05	2,736.93
Depreciation and amortisation	793.88	644.67	560.55
Property, plant and equipment	14,066.48	12,696.98	11,353.85
Project costs under concession agreements	1,384.30	1,481.46	1,578.62
Total assets	19,465.76	17,345.83	16,290.37
Trade and other payables	162.28	295.85	406.21
Total current liabilities	662.17	1,021.90	919.87
Total liabilities	12,698.38	9,482.02	8,437.40
Total shareholders' equity	6,767.37	7,863.82	7,852.97
Retained earnings	4,010.54	5,035.03	4,994.38
Dividend	0.00	796.88	873.38
Net cash flows from operating activities	440.63	1,488.10	1,838.49
Net cash flows from (used in) investing activities	-2,065.40	-1,405.79	-4,217.22
Net cash flows from (used in) financing activities	1,002.90	-160.31	2,429.47

#### Summary of BAFS's Financial Ratios

Financial Ratio	Consolidated financial statements			
		2020	2019	2018
Liquidity Ratios				
Current ratio	(time)	2.87	2.54	2.98
Quick ratio	(time)	1.46	2.37	2.78
Operating Cash Flow To Current Liabilities	(time)	0.52	1.53	1.84
Account Receivable Turnover Ratio	(time)	6.59	10.08	10.24
Average Collection Period	(days)	54.59	35.71	35.15
Account Payable Turnover Ratio	(time)	6.67	5.21	3.97
Average Payment Period	(days)	53.95	69.08	90.76
Profitability Ratios				
Gross Profit Margin	(%)	15.28%	52.76%	55.81%
Operating Profit Margin (Exclude Other Income)	(%)	-17.36%	34.65%	39.52%

Financial Ratio	Consolidated financial statements			
		2020	2019	2018
Others Profit Margin	(%)	4.15%	1.17%	1.37%
Profitability Ratios	(%)	-187.47%	107.24%	119.70%
Net Profit Margin	(%)	-22.25%	24.69%	29.17%
Return On Equity	(%)	-5.73%	12.31%	14.40%
<b>Efficiency Ratios</b>				
Return On Assets	(%)	-2.28%	5.75%	7.74%
Return On Fixed Assets	(%)	3.14%	13.18%	17.36%
Asset Turnover	(%)	10.23%	23.30%	26.52%
<b>Leverage Ratios</b>				
Debt to Equity ratio	(time)	1.88	1.21	1.07
Interest Coverage Ratio	(time)	2.26	9.91	16.24
EBITDA Coverage Ratio (Cash basis)	(time)	0.15	0.51	0.32
Dividend Payout (the company only)	(%)	-	64.44%	92.87%
<b>Per Share</b>				
Book Value per share*	(Bt/share)	10.62	12.34	12.32
Earnings per share*	(Bt/share)	-0.59	1.47	1.65
Dividend per share	(Bt/share)	-	1.25	1.37
<b>Growth</b>				
Total Revenue	(%)	-51.96%	2.93%	4.57%
Cost of Services	(%)	-16.43%	10.27%	3.30%
Total Expensens	(%)	-16.33%	11.45%	3.70%
Operating Profit (Loss)	(%)	-116.94%	-9.66%	5.89%
Profit (Loss) attributable to Equity holders of the Company	(%)	-139.82%	-10.53%	8.24%
Total Assets	(%)	12.22%	6.48%	31.22%
Total Liabilities	(%)	33.92%	12.38%	74.16%

#### The account receivable turnover ratio and debt collection period

The account receivable turnover ratio of 2020 was 6.59 times, down from 10.08 times, resulting in an increase in the average collection period of 55 days from 36 days compared to the previous year. In 2020, the Group's services income decreased significantly due to the impact of COVID-19, when divided by the average account receivable amount of the year of normal operation and the year affected by COVID-19 was 2019 - 2020, thus resulting in higher average account receivable value. As a result, the account receivable turnover ratio decreased and resulted in an increase in the average collection period. The Group has not changed its policy of trade account receivable.

Remark: \* Calculated based on a total of 637.5 million ordinary shares

## 5. General Information and Other Significant Information

### 5.1 General Information

Details are shown in item 1. BAFS's Structure and Operations

### 5.2 Other Significant Information

- None -

### 5.3 Legal Disputes

On May 4, 2012, BAFS was summoned to be the 4<sup>th</sup> defendant in the lawsuit in which 28 plaintiffs filed a lawsuit against a state enterprise, a local administrative organization, and a local authority, totaling 3 defendants, for troubles caused by fuel vapor odor emitted from Suvarnabhumi Airport Depot to the Central Administrative Court. Each of 27 plaintiffs demanded a compensation of 300,000 - 400,000 Baht, while another plaintiff demanded a compensation of 1 million Baht, totaling 9.10 million Baht. In addition, each plaintiff demanded a compensation of 10,000 Baht each month until the fuel vapor odor emitted from BAFS's airport depot will be handled. They also required that BAFS cease the operations of airport depot and the fuel storage until the equipment to prevent and control fuel vapor smell will be provided. Later, on October 15, 2012, another 76 plaintiffs filed a lawsuit against BAFS. There were 104 plaintiffs in total and compensation, plus interests (calculated as of September 30, 2019) amounted to 196 million Baht.

On October 10, 2019, the Central Administrative Court ruled, in brief, that the damages claimed by the plaintiffs cannot be verified; therefore it was not deemed as a violation. Accordingly, the defendants were not entitled to any compensation for all plaintiffs. However, the Central Administrative Court issued an order to the local authority to exercise legal power to have BAFS install fuel vapor odor eliminators or control systems at BAFS's Suvarnabhumi Airport Depot within 60 days from the day the case becomes final or within the specified period in the event that the Supreme Administrative Court enforced a judgment while the case has not yet been final.

On November 11, 2019, BAFS appealed to the Supreme Administrative Court to object its installation of fuel vapor odor eliminators or control systems pursuant to the Central Administrative Court's judgment. It is now under consideration of the Supreme Administrative Court. As the plaintiffs had not filed an appeal of compensation, it was then deemed as final and BAFS was not entitled to any compensation for the plaintiffs. In 2020, there is still no progress of the lawsuit.

On August 19, 2020, BAFS's subsidiary was summoned to be the 3<sup>rd</sup> defendant in the lawsuit in which a plaintiff filed a lawsuit against 4 government agencies, a subsidiary, and a company, totaling 6 defendants, for troubles caused by the placement of fuel pipelines and the installation of block valves, thus obstructing the convenient use of land which was regarded as a violation of land rights. The plaintiff requested the Court to order the defendants to remove block valves from the land. At present, the lawsuit is under consideration of the Administrative Court. However, executives of the subsidiary believes that the lawsuit will not significantly cause monetary damages; therefore, the subsidiary did not record debt reserves for such lawsuit in the account.

## 5.4 Secondary Markets

- None -

## 5.5 Financial Institutions Having Regular Contacts (only for the case that BAFS issues bonds)

Financial Institutions	Status	Liaison	Address	Telephone
Bank of Ayudhya Public Company Limited	Debenture Registrar	Securities Services Operation Department	AA Floor, 1222 Rama 3 Road, Bang Pong Pang, Yan Nawa, Bangkok	02 683 1298
Kasikornbank Public Company Limited	Joint-Lead Arranger for the New Debentures	Capital Markets Business Division	1, Soi Rat Burana 27/1, Rat Burana Sub-district, Rat Burana District, Bangkok	02 867 4011
Thanachart Bank Public Company Limited	Joint-Lead Arranger for the New Debentures	Capital Market Originations	3000 Phaholyothin Road, Chom Pol, Chatuchak, Bangkok	02 299 5000





## Section 2: Corporate Governance

### 6. Corporate Governance Policy



#### 6.1 Overview of Corporate Governance Policy and Practices

##### 6.1.1 Policy and Practices Concerning Directors

The Board of Directors of Bangkok Aviation Fuel Services Public Company Limited (BAFS) recognizes the importance of conducting business with strict adherence to the Principles of Good Corporate Governance for Listed Companies issued by the Stock Exchange of Thailand (SET) as well as the Corporate Governance Code 2017 (CG Code) for Listed Companies issued by the Securities and Exchange Commission (SEC).

BAFS imposes a policy on the principles of good corporate governance in the Good Corporate Governance and Anti-Corruption Policy. Such policy serves as BAFS's major policy for providing related parties with clear and correct practices for directors, executives, and employees. The Board of Directors also prescribes practice guidelines of directors and subcommittees as well as employees in different matters, e.g. the the Board Charter and the Charters of Subcommittees, Code of Conduct.

For BAFS's management, the Board of Directors shall be independent from the Management. The Board of Directors shall develop and review vision, mission, objectives, and policies and assign the Management to implement as well as oversee and monitor efficiency and effectiveness of the Management's performance and compliance with the policy.

For the determination of director remuneration, the Remuneration Committee is responsible for determining the Board of Directors' remuneration structure, consisting of fixed monthly remuneration, meeting allowance per meeting, and remuneration which varies based on different factors such as BAFS's operating



results. The Remuneration Committee is of the opinion that BAFS's remuneration is appropriate for duties and responsibilities and at the same level as that of the businesses of similar size and in similar industry and high enough to nurture and retain quality directors as required by BAFS. For the executive remuneration, the Remuneration Committee considers both short-term and long-term remuneration of the President and propose it to the Board of Directors for consideration and approval.

BAFS has a policy to encourage and develop directors to enhance their knowledge and skills related to business operations so that they can apply knowledge to the performance of duties in a continuous manner. Moreover, BAFS regularly conducts an annual performance assessment of directors to ensure better improvements. **Details of director remuneration, director improvement, and director performance assessment are shown in Item 6.1.2 under Section 5: Responsibilities of Directors.**

BAFS has not only implemented the principles of good corporate governance within itself, but also to the subsidiaries. All subsidiaries shall make a commitment to business practices in compliance with BAFS's good governance principles. However, the subsidiaries may apply and make some adjustments to such principles as in alignment with each company's business context to ensure that BAFS's management and maintenance of interests as well as BAFS Group's management are carried out in the same directions. **The Board of Directors established a policy on the supervision of subsidiaries and associates, of which the details are shown in Item 8.1.3**

In conducting its business, BAFS is committed to preventing and countering all types of corruption. Therefore, to ensure careful consideration and management of corruption risks, BAFS established and promulgated an Anti-Corruption Policy as clear business approaches for BAFS and subsidiaries as well as directors and employees. BAFS has also communicated the Anti-Corruption Policy to the associates as well as developed a handbook on anti-corruption measures as practice guidelines for executives and employees. BAFS has been certified for Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) membership since 2014 continuously and until now.

**Details are shown in Enclosure 5 Corporate Governance Policy and Practices and Code of Conduct.**

With its commitment to continuous good corporate governance, BAFS received a rating of "Excellent" (5 stars) in the 2020 Corporate Governance Report of Thai Listed Companies (CGR) of Thai Institute of Directors (IOD) for 12 consecutive years.

#### 6.1.2 Policy and Practices Concerning Shareholders and Stakeholders

BAFS established a policy and practices concerning shareholders and stakeholders as in compliance with the principles of good corporate governance prescribed by SEC and SET, covering equitable treatment of shareholders, promotion of the exercise of shareholder rights, prevention of insider information, prevention of conflict of interest, responsibility for stakeholders, anti-corruption, and measures for managing non-compliance with such policy and practices.

## Section 1: Rights of Shareholders

### 1. Protection of Shareholders' Rights

- 1.1 BAFS places priority on the protection of shareholders' rights and promotes their exercise of fundamental rights such as rights to profit sharing, rights to receive adequate news and information, voting rights in the shareholders meeting to appoint or to remove a director, rights to appoint an auditor, and rights to consider other matters which may affect BAFS, including dividend allocation, amendment to Articles and Memorandum of Association, and reduction or increment of capital.
- 1.2 BAFS takes into consideration the rights of shareholders much more than the fundamental rights as stipulated by laws. For example, BAFS provides important and updated information via its website, prepares a Management Discussion and Analysis (MD&A) to present its operating results on a quarterly basis and disseminates news via BAFS Newsletter.
- 1.3 BAFS's shareholding structure comprises so many minority shareholders that checks and balances can be created between minority and majority shareholders, which do not allow any person or any group to control voting rights or BAFS, thus resulting in good corporate governance at the shareholder level. The distribution of shares to minority shareholders (free float) is higher than 40 percent with neither cross-shareholding among companies in BAFS Group nor creating a pyramid shareholding structure. The whole Board of Directors is holding shares altogether for 0.78 percent. In addition, the proportion of shares held by domestic and foreign institutional investors is approximately 6.02 percent.

### 2. Annual General Meeting of Shareholders

- 2.1 BAFS holds an Annual General Meeting of Shareholders (AGM) once a year within 4 months from the last day of BAFS's fiscal year. Due to the COVID-19 outbreak situation In 2020, the AGM was held on July 16, 2020, attended by the Chairman of the Board of Directors, Chairmen of all subcommittees, President, directors, executives, auditor and legal advisor to answer questions raised in the meeting.
- 2.2 BAFS hired Kompas Law Company Limited to be its legal advisor, had shareholder representatives inspect vote counting in the AGM and disclosed results in the AGM minutes.

### 3. Delivery of Meeting Invitation Letter in Advance

- 3.1 BAFS appoints Thailand Securities Depository Company Limited which is its securities registrar to send the meeting invitation letter to its shareholders 21 days prior to the meeting. Moreover, to give shareholders a chance to study details of meeting agenda and supporting information in advance, BAFS publicizes similar information being sent by post to the shareholders via its website [www.bafsthailand.com](http://www.bafsthailand.com) for at least 30 days prior to the meeting date. In Addition, the meeting notice is advertised in daily newspapers for 3 consecutive days with at least 3 days prior to the meeting date.
- 3.2 The meeting invitation letter includes complete and adequate details such as date, time, venue, and shareholders meeting agenda by stating explicitly whether which agenda item is for acknowledgement or consideration. Moreover, supporting documents for each agenda item include objectives and reasons together with the Board of Directors' opinions, Articles

of Association relating to AGM, a map of meeting venue, details of documents that the shareholders must present on the meeting date and meeting procedures. BAFS also prepares all relevant documents in English to protect foreign shareholders' interests and facilitate them.

- 3.3 BAFS respects shareholders' rights and avoids violations or deprivations of rights. BAFS then promotes the exercise of shareholder's rights by presenting important matters to shareholders for their approval as well as providing complete information as stipulated by laws, SET regulations and BAFS's Articles of Association.
- 3.4 Each important agenda item is clearly outlined in the meeting invitation letter to be proposed to the shareholders for approval every year, as follows:
  - Agenda Item on Appointment of Director: BAFS provides an opportunity to shareholders to select directors individually. Each candidate's information includes name, age, educational background, work experience, number of companies of which each candidate holds directorship categorized into listed companies and general companies, director nomination criteria and process, types of director proposed for nomination, director meeting attendance, number of years in office in case of proposing the appointment of existing directors, which is reviewed and screened by the Nominating and Corporate Governance Committee.
  - Agenda Item on Director Remuneration: BAFS provides details regarding remuneration schemes and amounts as well as the policy and criteria for determination of director remuneration, which are reviewed and screened by the Remuneration Committee.
  - Agenda Item on Appointment of Auditor: BAFS provides details regarding auditor's name, audit firm, experience, capabilities, independence, audit fee, number of years for audit service (in case of appointing the existing auditor) or reasons for changing the auditor (in case of appointing a new auditor) and methods for considering appropriateness of audit fee, which is reviewed and screened by the Audit Committee.
  - Agenda Item on Profit Allocation and Dividend Payment: BAFS provides details regarding profit allocation and capital reserve, amount of dividend payment, reasons and supporting information in accordance with the Dividend Payment Policy as well as the record date specified by the Board of Directors in order to determine shareholder's rights to dividends. The matter is reviewed and screened by the Remuneration Committee.

#### **4. Facilitation Provided to Shareholders**

- 4.1 BAFS imposes a policy to provide facilitation and encourage shareholders, institutional investors and majority and minority shareholders to attend the meeting.
- 4.2 BAFS gives shareholders an opportunity to submit their queries regarding the meeting agenda to the Board of Directors prior to the meeting date via the Corporate Secretary, which is notified in the meeting invitation letter made available on its website.
- 4.3 BAFS holds its Annual General Meeting of Shareholders at a convenient place for shareholders to attend the meeting. BAFS also facilitates all shareholders equally by having sufficient staff in place.
- 4.4 BAFS allows 2 hours prior to commencement of the meeting to the shareholders for their meeting registration. It facilitates all shareholders to attend the meeting. In case of late arrival, the shareholders' rights to attend the meeting are not limited.

- 4.5 BAFS uses a barcode system to display details of each shareholder by having them printed on shareholder meeting registration forms to facilitate shareholders with prompt and accurate meeting registration, vote counting and display of results.
- 4.6 BAFS grants the shareholders, who attend the meeting after the commencement of the meeting, to exercise their voting rights on the agenda item which is under consideration and has not yet concluded.

## **5. Shareholders Meeting Procedures**

- 5.1 Prior to the commencement of the meeting, the Chairman of the meeting or the assigned person shall introduce the attending Board members, Chairmen of subcommittees, executives, auditor and legal advisor and explain the meeting criteria and voting procedures to the meeting.
- 5.2 BAFS shall allocate sufficient time and give shareholders equal opportunities to express opinions and raise questions in the meeting. Its directors and executives shall provide clear and pertinent answers to all questions before requesting the meeting to vote for each agenda item.
- 5.3 BAFS shall conduct the shareholders meeting according to the sequence of agenda items notified in the meeting invitation letter. BAFS shall neither abruptly distribute other important documents nor add extra agenda items to the shareholders meeting without prior notice.
- 5.4 To ensure transparency and accountability in case of objections occurring thereafter, BAFS shall provide ballots for voting. In the meantime, the ballots are also used when voting for any agenda that comprises many voting items, for example, the agenda item on director appointment which BAFS gives shareholders opportunities to select directors individually.

## **6. Procedures after the Shareholders Meeting**

- 6.1 BAFS shall disclose shareholders meeting resolutions and voting results to the SET and publicize them on its website before 09.00 hrs. on the following day after the AGM date.
- 6.2 In accordance with the resolution of the shareholders meeting regarding dividend payment, BAFS shall coordinate with Thailand Securities Depository Company Limited to ensure that the shareholders completely receive correct amounts of dividends. According to the SET's recommendation, BAFS shall specify the record date for shareholders' rights to dividends to be at least 5 working days after the shareholders' approval.
- 6.3 BAFS shall completely and accurately prepare the meeting minutes for shareholders' inspection, which record names and positions of attending directors, voting and vote counting methods, shareholders' opinions, clarifications of directors and executives and meeting resolutions with clearly separated votes for approval, disapproval, or abstention. The meeting minutes shall be submitted to the SET within 14 days after the AGM date. The AGM minutes and audio and video recording shall be publicized on BAFS's website.

## **Section 2: Equitable Treatment of Shareholders**

BAFS places emphasis on fair and equitable treatment of shareholders by conducting as follows:

### **1. Proposal of Meeting Agenda Item and Director Nominee**

BAFS facilitates shareholders in proposing an agenda item and a director nominee in advance of the AGM date. It disseminates clear criteria on both SET website and its website. The shareholders can propose an agenda item and a director nominee together with supporting information for consideration

3 months in advance. A single shareholder or shareholders who altogether hold no less than 0.05 percent of shares are entitled to propose an agenda item or a director nominee. The percentage of shareholding as mentioned facilitates shareholders more than the requirement of the law stipulating that one or more shareholders who altogether hold no less than 5 percent of shares are entitled to propose an agenda item. However, for the 2020 AGM, no shareholder proposed any agenda item and director nominee.

## **2. Appointment of Proxy**

In case any shareholders are unable to attend the meeting, they can appoint another person, an independent director or the President as their proxies. BAFS shall provide a proxy form in which shareholders can determine their voting directions (Form B) and clearly specify required documents and uncomplicated procedures of proxy appointment.

## **3. Preventive Measures against Use of Insider Information and Conflict of Interest**

3.1 BAFS establishes preventive measures against wrongful use of insider information of its directors and executives for their own or others' advantages over other shareholders such as securities trading by using insider information and disclosure of insider information to related persons of directors and executives, which cause damage to the shareholders as a whole. The protection of interests and confidentiality is shown in BAFS's policy and rules and regulations manual. Meanwhile, securities trading and stock futures, use of insider information, conflict of interest and breach penalties are shown in the Code of Conduct, which is made known to all directors, the executives, and employees by having them sign for acknowledgment. In addition, BAFS prohibits its directors, executives, and employees to buy or sell its securities at least 30 days prior to the announcement of each quarterly financial statements and 1 day after the announcement of such information.

For securities trading and stock futures, BAFS notifies its directors and executives to report changes of their securities holding to SEC in pursuant to Section 59 of the Securities and Exchange Act B.E. 2535 (1992). Moreover, the directors and executives' securities holding is added as an agenda in every Board of Directors Meeting, of the details will also be disclosed in the Annual Report.

Regarding securities trading and futures contracts of employees who work closely with its information, BAFS stipulates that they must report changes of their securities holding within 3 working days from the date of transaction. This matter is also added as an agenda in each monthly management meeting.

3.2 BAFS stipulates criteria for its directors and executives to report their own and related persons' interests which are consistent with nature of business, relevant laws, and regulations. In addition, directors and executives must report every change of their interests to BAFS. The Corporate Secretary is in charge for following up such information.

3.3 The Board of Directors establishes guidelines to prevent its interested directors or executives to take part in decision-making process of transactions between BAFS and stakeholders. Prior to the Board of Directors meeting, the Chairman of the Board will ask the directors having interests in those particular matters to leave the meeting room. Those directors are not entitled to vote on such matters.



- 3.4 BAFS' shareholding structure is not complicated whereby almost all connected transactions are fairly conducted based on market prices and are normal business transactions.
- 3.5 BAFS adheres to laws and SET and SEC regulations such as criteria for entering into a connected transaction and acquisition or disposal of assets.

In 2020, BAFS did not receive any complaint regarding shareholders' fundamental rights violation whereby all shareholders were equally treated. Moreover, no exploitation of insider information was found.

### Section 3: Roles of Stakeholders

#### 1. Treatment of Stakeholders

BAFS develops written practice guidelines for treatment of all stakeholder groups including shareholders, customers, business partners (trade partners or suppliers/distributors or creditors/guarantors), employees, society, community, environment, regulators and competitors in the Good Corporate Governance and Anti-Corruption Policy and Code of Conduct. The details of practice guidelines are publicized on BAFS' website. BAFS also encourages its employees to comply with such policy as follows:

- 1.1 Shareholders:** BAFS performs its duties to shareholders with honesty and fairness, conducts business by focusing on creating prosperity, stability and returns to shareholders constantly, discloses information to shareholders equally, regularly, and completely and gives shareholders opportunities to express their opinions and suggestions and propose an agenda item or a director nominee in the AGM.
- 1.2 Customers:** BAFS sets a policy and practice guidelines for treatment of customers. BAFS cares and is responsible for its customers by observing the contracts entered with customers, treating all customers equally and fairly, focusing on enhancing customer satisfaction and confidence in quality services as well as keeping customer confidential information secure. The procedures are as follows:
  - BAFS operates aviation refuelling service based on compliance with international quality standards, punctuality, and maximum safety. Its service is certified by ISO 9001 Quality Management Systems and ISO 45001:2018 Occupational Health and Safety Management Systems.
  - BAFS has in place a customer satisfaction measurement system which is considered as part of its Key Performance Indicators (KPIs). In 2020, BAFS achieved a 95.4 percent or excellent level of customer satisfaction.
  - BAFS organizes activities to enhance good relationships with customers such as company visits, seminars, customer meetings to strengthen relationships and listen to their feedbacks regularly, quiz games with questions relating to BAFS and meetings with customers on special occasions.

#### 1.3 Trade Partners or Suppliers/Distributors or Creditors/Guarantors (Business Partners)

BAFS sets a policy and practice guidelines for treatment of business partners by determining clear and tangible trade partner selection procedures. BAFS's trade partners must possess

required qualifications and be able to comply with procedures or process as specified. In case of new trade partner selection, the Board of Directors' approval is required.

BAFS also establishes supplier and contractor selection and evaluation procedures. Suppliers and contractors, who are selected as trade partners, must be standardized, and ensure that their operations are in accordance with ISO 9001, ISO 14001, ISO 22301, ISO 45001 Management System. True identities of trade partners must also be verified by registration certificates issued by the Department of Business Development, the Ministry of Commerce, and copies of ID cards of authorized directors. In addition, BAFS has in place a supplier, contractor, and outsource performance evaluation system to ensure that trade partners entering into transactions with BAFS have an effective management control system by considering evaluation criteria that cover all areas in terms of quality, delivery, price and service according to the Approved Supplier List (ASL) and activities that may affect BAFS's management system.

BAFS complies with the contracts made with all trade partners or suppliers/distributors equally and justly based on mutual fair compensation. BAFS does not solicit, accept, or give any advantages of dishonesty to trade partners or suppliers/ distributors. BAFS develops a Supplier Code of Conduct as practice guidelines for trade partners to act in accordance with BAFS's Code of Conduct and a JV Core Principle as a tool for protecting disclosure of sensitive information.

Moreover, BAFS complies with the contracts, agreements or conditions to creditors/guarantors equally, strictly, and fairly, especially guarantee conditions, capital management and debt payment, and does not solicit, accept or give any advantages of dishonesty to creditors/guarantors.

#### **1.4 Employees**

BAFS places importance on its employees and considers that they are BAFS's significant resources contributing to business success. Therefore, BAFS imposes a policy and practices concerning the employee treatment by complying with relevant laws and standards, ensuring fair treatment of employees, respecting and not violating human rights, emphasizing knowledge and capability enhancement of employees, having ethical behaviors, providing appropriate compensation and benefits and promoting employees' participation. Details are as follows:

##### **1. Compensation and Benefits**

BAFS clearly determines an employee compensation policy and apply the Balanced Scorecard approach to short and long-term performance assessments in terms of finance, customer and stakeholder, process, internal management and learning and development. Accordingly, BAFS provides appropriate compensation and benefits including salary, annual bonus, provident fund, and life, accident, and health insurance to employees.

##### **2. Employee Development Policy**

BAFS focuses on employee development to strengthen its employees' necessary knowledge, potential, abilities and skills and enhance employee capabilities to withstand technological changes, all of which increase BAFS's present and future competition opportunities. BAFS sets systematic employee plans with aim to ensuring employees' potentialities, competencies and career paths and discloses details via employees' competency and potential assessment guidelines. BAFS shall inform its employees about their competency and potential assessment results, and then develop each employee by following his/her individual development plan. BAFS provides both internal and external

trainings according to its training roadmap to its employees to prepare them for their career paths, whereas the Human Resource Development Division shall adjust and improve such plans continuously. In addition to developing employees' skills and knowledge, BAFS also emphasizes on having its employees practice works by exchanging knowledge and experiences with domestic and foreign experts via job observations, for example, work practice exchange with San-Ai Oil Company Limited, a Japanese corporation dealing aviation fuel related services, and job observations related to technologies and innovations in ASEAN region, all of which enable BAFS's employees on applying and transferring their knowledge and experiences for the benefits of others.

### 3. Knowledge Management

BAFS takes steps to be learning and innovative organization by applying bodies of knowledge created by its personnel, whereas its internal knowledge collected and screened and external knowledge sought have been analyzed and applied integrating. BAFS's bodies of knowledge have been developed since 2016 up to the present. They include around 276 sets of operational and supportive knowledge and 6 training programs, which are actually applied to operations of all relevant divisions, resulting in tangible outcomes that can be utilized in operational processes and used for feasibility study on innovation development. For instance, Automated Overfill Prevention System (AOPS) which is a design of remote automated controlling systems by constructing gauges measuring level of fuel received through pipelines and transported to tanks by alerting the controlling room where the operators can run a command for automated controlling systems in a precise and accurate manner, which helps BAFS save manpower and time and increase safety for aviation fuel control.

With its capability on knowledge management, BAFS therefore set its objectives to becoming a direction definer on international aviation fuel services. Accordingly, BAFS manages knowledge and develops learning programs on energy services to professionally deliver knowledge and values of standard, quality and safety to energy service providers, including being a cooperation center providing advices relating to full circle of aviation fuel service according to sustainable development framework.



### 1.5 Society, Community and Environment

BAFS has in place a policy and practices concerning responsibility for the society, the community, and the environment. **Details are shown under the heading of “Driving Sustainable Business”.**

- 1.6 Regulators:** BAFS complies with business-related laws, regulations and principles, conducts its business in accordance with the principles of good corporate governance, counters all types of bribery and corruption and promotes human rights protection.
- 1.7 Competitors:** BAFS operates business based on international best practices while establishing a policy and practice guidelines for fair treatment of its competitors to comply with trade-related laws, rules and regulations.

In case of violations of shareholders’ rights caused by BAFS’s actions, BAFS will take legal actions as well as reduce or compensate for impacts on such case.

## 2. Occupational Health and Safety in Working Conditions

BAFS gives high priority to occupational health and safety in working conditions. BAFS establishes a policy on occupational health and safety in working conditions as in line with ISO 45001:2018 Occupational Health and Safety Management Systems as well as set up an Occupational Health and Safety in Working Conditions Committee, with details as follows:

- To develop occupational health and safety in working conditions systems to ensure their consistencies with the laws, international standards and other relevant regulations;
- To control, improve, prevent and solve problems arising from BAFS’s business operations, including risks of medium-level and higher which may have impacts on its employees and assets, to enable continuous improvement on occupational health and safety in working condition;
- To improve the performance results of occupational health and safety in working conditions regularly and continuously;
- To promote and encourage employees’ engagement in compliance with occupational health and safety in working conditions;
- To enhance employees’ knowledge and awareness of occupational health and safety in working conditions as well as off-the-job safety;
- To provide resources for the implementation of occupational health and safety in working conditions systems to enable continuous improvement; and
- To ensure safety for BAFS’s employees, contractors and assets as well as review and update security measures in response to current situations regularly and continuously.

BAFS disclosed the statistical information on accidents at all of its work premises, i.e. the number of accident-free work hours during September 9, 2013 - December 31, 2020, representing 7,355,939 man-hours. BAFS set its safe work hour target of 8,000,000 man-hours. The latest accident date was on September 2013. The accident was already handled.

The number of accident-free work hours during  
September 9, 2013 - December 31, 2020,  
representing **7,355,939** man-hours



BAFS set its safe work  
hour target of  
**8,000,000**  
man-hours

In 2020, BAFS organized a wide range of activities related to occupational health and safety in working conditions, such as annual health check-ups for the communities surrounding its operating sites, assessments to monitor environmental impacts on the communities, big cleaning day and annual safety day (SHE Day). Moreover, BAFS arranged training programs for occupational health and safety in working conditions, including fire drill, annual fire evacuation rehearsals as required by laws, emergency plan rehearsals and business continuity plan (BCP) rehearsals. BAFS also provided personal protective equipment (PPE) to its employees, launched an accident prevention campaign, and conducted assessments on workplace environment and quality of drinking water and wastewater. Additionally, BAFS arranged fire drill training courses for the communities and schools surrounding Suvarnabhumi Airport Depot and Don Mueang Airport Depot.

Additionally, in 2020, BAFS started adopting Safety Management System or SMS stipulated by the International Civil Aviation Organization (ICAO). BAFS was certified by ISO 45001:2018 Occupational Health and Safety Management Systems in November 2020.

**In 2020, BAFS received a National Outstanding Organization Award for Workplace Safety, Health and Environment, of which more details can be found under the heading “Awards and Recognition in 2020”.**

### 3. Respect for Human Rights and Fair Labor Practices

BAFS imposes a policy and practice guidelines for avoiding human rights violations by requiring all directors, executives, and employees of BAFS and subsidiaries to comply with the Code of Conduct on human rights and treat other employees, for example:

- Uphold democracy and encourage its employees to exercise their voting rights granted under the constitution;
- Ensure that employees are treated equally and with dignity and respect, regardless of physical or mental similarities or differences, race, nationality, religion, gender, age, education, political opinions or any other matters;

- Support and respect human rights protection by regularly monitoring and ensuring that BAFS avoids human rights violations of BAFS and trade partners, for example, no support of forced labour as well as no abuse of child rights and child labor;
- Show an intent to support the “Child-friendly Business Promotion Project”;
- Monitor compliance with regulations on human rights within BAFS and encourage compliance with the human rights principles according to international standards; and
- Avoid any acts that sexually harass other employees, thus causing trouble and annoyance or leading to the offensive work environment that ruins employee morale and disturbs other employees without reasons. Such behaviors include sexual assault, obscenity, flirtation or abuse, whether verbally or physically

BAFS provides whistleblowing or complaint channels in case of any doubt on non-compliance with BAFS’s Code of Conduct.

BAFS not only places importance on respect for human rights of its personnel, but also for those of trade partners or suppliers by including such matters in the Supplier Code of Conduct.

In the previous years, BAFS received neither report nor complaint on human right violation.

85

#### 4. Intellectual Property or Copyright

BAFS imposes a policy and practices to prohibit intellectual property or copyright infringement whereby BAFS and its subsidiaries’ directors, executives and employees are required to comply with Code of Conduct regarding intellectual property or copyright, as follows:

- To protect BAFS’s intellectual property and avoid others’ intellectual property infringement;
- To perform in accordance with laws, regulations and contractual obligations regarding rights of others in intellectual property as well as patent, copyright, trade secret and other proprietary information;
- To avoid abuse or misuse of others’ intellectual property; and
- In case any copyrighted or intellectual property derives from its employee’s performance, such copyright or intellectual property shall belong to BAFS.

In the previous years, BAFS received neither report nor complaint on intellectual property or copyright infringement.

#### 5. Anti-Bribery and Corruption

BAFS is committed to conducting business with transparency and countering bribery and corruption. Since 2014, BAFS has been certified as a member of Thailand’s Private Sector Collective Action Coalition against Corruption (CAC) until the present.



BAFS imposes the Anti-Corruption Policy approved by the Board of Directors. Directors, executives and employees of BAFS and subsidiaries are required to comply with the policy which includes details as follows:

- BAFS's directors and employees at all levels shall comply with the Anti-Corruption Policy and shall not engage in any form of corruption, either directly or indirectly, for the benefits of BAFS and themselves including their families, colleagues and other acquaintances;
- Any actions taken in response to the Anti-Corruption Policy shall be complied with guidelines mentioned in BAFS's Code of Conduct, regulations, BAFS's related operating manuals and other guidelines that may be defined by BAFS in the future;
- The employee shall not neglect or overlook in case of witness of any act, which could be a corruption matter related to BAFS. The employee shall report such matter to the supervisor or person who is mentioned in BAFS's Code of Conduct;
- BAFS shall provide fairness and protect its employees who report the corruption matter related to BAFS;
- Any act of corruption is considered violation of BAFS's Code of Conduct while the offender shall undergo disciplinary punishment including legal punishment in case such action is also against the law; and
- BAFS recognizes the importance of communication and public relations that are taken to provide knowledge and enhance understanding of the Anti-Corruption Policy compliance to its directors, employees and related persons.

In addition, BAFS prepares guidelines on Anti-Corruption measures for the executives and employees to comply with details as follows:

#### **1. Charitable Donation and Social Activity Support**

- To ensure that the monetary donation for charitable purpose and social activity support are not excuses for bribery, their objectives shall be explicit and can be verified. Meanwhile, they must be done on behalf of BAFS only whereby donation limit and authorized person for approval shall be defined precisely in writing;
- Any bribes shall be neither accepted nor paid. Also, any illegal transactions of all types shall not be conducted, whether directly or indirectly, with public officials, other people or other agencies in exchange for favourable practices or mutual benefits related to BAFS's operations;
- In case that a donation or support recipient is a government agency, state enterprise, foundation, charitable organization, temple, hospital, clinic or social benefit organization, such recipient shall provide a certificate or reliable and verifiable documents; and
- The monetary donation for charitable purpose and social activity support shall be done in compliance with the Delegation of Manual of Authorities regarding the monetary donation for charitable purpose and social activity support.

#### **2. Political Support**

BAFS shall adhere to democracy with the King as Head of State, stay politically neutral, avoid political support or assistance and encourage its employee to exercise their constitutional voting rights.

### 3. Giving and Receiving of Gifts

- Any benefits shall be neither received nor solicited. Any fees shall not be offered. Any bribes of any kinds, including other inappropriate expenses, either directly or indirectly, in return for favorable treatment for oneself, BAFS or BAFS's business-related benefits, shall not be paid;
- Receiving of gifts shall be done openly and transparently and shall not influence any decision making related to BAFS's business;
- Giving of gifts shall not be done extravagantly or wrongfully against good traditions and local laws; and
- Giving of gifts shall be done in compliance with the Delegation of Manual of Authorities regarding giving of gifts.

### 4. Welcome Reception Provision and Acceptance

- Welcome reception provision and acceptance shall be reasonably done as necessary in accordance with general business etiquette for BAFS's business benefits and proper manner that reflects normal relations with third parties whose duties or business are related to BAFS's business. BAFS shall also explicitly determine budget amount and authorized persons for approval of welcome reception provision and report on welcome reception acceptance in writing;
- Any hospitality expenditures, including accommodation and travelling expenses during site visit, work observation, food and beverage or other expenses to induce government officers, other persons or other organizations to act wrongfully to obtain BAFS's interests, shall not be paid; and
- Any benefits shall be neither accepted nor solicited. Neither entertaining or reception invitation or invitation for work observation with free of charge proposed by third parties nor expense support from third parties, which can influence business decision making, or repayment for any subservient actions or work-related benefits from BAFS, shall not be accepted.

Moreover, **BAFS implements risk management in its operations possibly related to corruption and take actions to prevent engagement in corruption** as follows:

1. The Board of Directors stipulates a policy, oversees and monitors compliance of the Anti-Corruption Policy and practice guidelines and receipt of complaints and whistleblowing handling procedures for employees at all organizational levels and external parties.  
Furthermore, the Executive Chairman is authorized to screen BAFS's strategic plans and risk management of projects related to BAFS and its subsidiaries' investments.
2. BAFS stipulates a Risk Management Policy with details regarding corruption as follows:
  - The Risk Management Committee is responsible for overseeing fraud and corruption risk management to ensure compliance with the Principles of Good Corporate Governance, Code of Conduct and Anti-Corruption Policy; and

- In case an employee experiences or acknowledges any risks, which may affect BAFS or violate the Principles of Good Corporate Governance, Code of Conduct and Anti-Corruption Policy, such employee shall immediately report such matter to his/her supervisor for further implementation of risk management.

To ensure strict compliance, such matter is also specified in the objectives and authority and duties of the Risk Management Committee in the Risk Management Committee Charter.

3. BAFS arranges corruption-related business risk assessments as follows:

- All departments that contact with government agencies and all working groups on projects worth over 30 million Baht, shall conduct corruption risk assessments, develop corruption risk mitigation plans and report progress of operations according to the plans via the IT system, which will be approved by the department directors and used as reference database for inspection of corruption;
- The Internal Audit Unit audits compliance with Code of Conduct and anti-corruption measures and reports a summary of results to the Audit Committee meeting and the Board of Directors meeting in 2020.
- Determine as major principles in the procurement manual and practice guidelines for purchasing /sourcing/procurement referring to the Principles of Good Corporate Governance and Risk Management Policy.

In addition, BAFS also assesses corruption risks in its business processes, whereas BAFS's Corporate Governance Working Group shall use data obtained from corruption risk assessment to prepare appropriate measures for prevention of bribery of public officials.

4. BAFS defines risk appetite and risk tolerance as its business operations framework which is related to corruption as follows:

Compliance: to comply with Principles of Good Corporate Governance, Code of Conduct and Anti-Corruption Policy strictly without complaints made either verbally or in writing with intent not to comply with the Principles of Good Corporate Governance, Code of Conduct and Anti-Corruption Policy and without having zero corruption. In case that BAFS receives any corruption-related complaints or whistleblowing or lawsuits, the Corporate Governance Working Group shall notify the Secretary of the Risk Management Committee to have it included in an agenda proposed to the Risk Management Committee. Representatives of the Corporate Governance Working Group shall prepare meeting documents and further report to the Risk Management Committee meeting to obtain opinions on risk management.

5. BAFS communicates its Code of Conduct and Anti-Corruption Policy both internally and externally to people including trade partners, suppliers/ distributors via different channels such as E-document management system, posting notices and its website.

- For internal communication, BAFS regularly articulates such matter to its executives and employees via e-mail at least once in a quarter of a year.
- For external communication, BAFS communicates the Anti-Corruption Policy to its subsidiaries and associates via e-mail as well as brochures distributed to its business partners to disseminate practice guidelines on BAFS's Anti-Corruption measures, and invites its business partners to jointly declare the intention to and apply for the membership of

Thailand's Private Sector Collective Action Coalition against Corruption (CAC). In this regard, BAFS has its business partner trained and invited continually. On November 30, 2020, BAFS arranged a training for the fifth year, which was entitled "Supplier Code of Conduct and Sustainability Framework". BAFS invited all key business partners as well as new business partners to participate the training. BAFS also provided coaching to business partners who wished to jointly declare the intention to and apply for the membership of CAC.



6. BAFS requires all directors to sign for acknowledgement of the Good Corporate Governance and Anti-Corruption Policy, Anti-Corruption Policy and Code of Conduct as well as ensure no actions that may cause conflict of interest. BAFS also requires all employees to sign for acknowledgement of the Good Corporate Governance and Anti-Corruption Policy, Anti-Corruption Policy, Code of Conduct, and Anti-Corruption Practical Guidelines as well as ensure no actions that may cause conflict of interest on a yearly basis.
7. BAFS determines Anti-Corruption Practical Guidelines as one topic in orientation programs for new directors, executives and employees as well as all employees who get promoted, rotated and transferred. Also, BAFS regularly arranges training programs to enhance employees' knowledge of good corporate governance, Anti-Corruption Policy and Practical Guidelines via about BAFS's Good Corporate Governance activities.

In 2020 BAFS organized activities under the topic of "Knowledge Management and Good Corporate Governance for Promotion of Innovations towards Sustainability" for its executives and employees during February 17 - 21, 2020.



Moreover, in September 2020, BAFS and subsidiaries attended the 2020 Anti-Corruption Day under the concept of "Detect Corruption at Your Fingertips - Power of Data", arranged by Anti-Corruption Organization of Thailand (ACT).



8. BAFS establishes a tangible assessment monitoring process for compliance with the Anti-Corruption Policy by implementing online self-assessment systems for all executives and employees to regularly assess themselves every August. In 2020, 100 percent of current BAFS's executives and employees passed the assessment with the average score at 93.5 percent. In the meantime, the Corporate Governance Working Group shall monitor and assess Anti-Corruption compliance results as well as report self-assessment results to the Board of Directors.
9. BAFS provides whistleblowing channels in case of witness any corrupt actions as well as whistleblower protection measures.
10. BAFS has been certified as member of the Private Sector Collective Action Coalition against Corruption (CAC) since 2014. Its membership was recertified in 2017 and 2020 respectively. The Audit Committee verified accuracy of BAFS's reference documents and self-assessment form regarding anti-corruption measures according to the CAC membership certification process and regularly reviewed compliance with the Code of Conduct and anti-corruption measures.

## 6. Contact Channels

BAFS provides channels for all stakeholders to submit suggestions, opinions or queries as well as complaints on violations of rights and other cases via the following channels:

- 6.1 Corporate Secretary's e-mail: [parndao@bafs.co.th](mailto:parndao@bafs.co.th), Tel: 0 2834 8912
- 6.2 Investor Relations Division's e-mail: [pitsapong@bafs.co.th](mailto:pitsapong@bafs.co.th), Tel: 0 2834 8914
- 6.3 Mail to the Corporate Secretary: Bangkok Aviation Fuel Services Public Company Limited 171/2 Kamphang Phet 6 Road, Don Mueang, Don Mueang, Bangkok 10210

In case of important matters or any matters that may cause damage to BAFS, the Corporate Secretary will present such matters to the Board of Directors accordingly.



## 7. Whistleblowing and Whistleblower Protection Measures

BAFS provides whistleblowing or complaint channels for external parties and its employees. BAFS establishes complaint handling procedures to protect and maintain confidentiality of complainants as follows:

### 7.1 Whistleblowing or Complaint

BAFS provides whistleblowing or complaint channels in case of any suspicious breaches of its Code of Conduct and laws as well as corrupt behaviors and unequal treatment as follows:

- (1) Supervisors of all levels who are trustworthy
- (2) The Corporate Governance Working Group
- (3) Mail to:

The Executive Chairman or the Chairman of the Audit Committee  
Bangkok Aviation Fuel Services Public Company Limited  
171/2 Kamphang Phet 6 Road, Don Mueang, Bangkok 10210

- (4) e-mail: [ec@bafs.co.th](mailto:ec@bafs.co.th) or [ac@bafs.co.th](mailto:ac@bafs.co.th)
- (5) Corporate website: [www.bafsthailand.com](http://www.bafsthailand.com)

### 7.2 Whistleblowing and Complaint Handling Process

Upon receipt of complaints, the Working Group or the assigned officer shall collect, verify and analyze information, establish corrective and preventive action procedures and measures to alleviate damages to those affected, conduct data processing to report results to the complaint receiver and inform whistleblower/ complainants for acknowledgement as well as report such results to the President, the Executive Chairman, the Audit Committee and the Board of Directors, respectively, as the case may be.

### 7.3 Whistleblower Protection Measures

To protect rights of whistleblowers/or complainants/or cooperative persons, BAFS conducts the following:

- BAFS shall not disclose names, addresses, photographs or any other information of whistleblower/ complainants and keep relevant information confidential;
- Whistleblowers or complainants who get distressed or damaged shall receive fair and appropriate treatment;
- BAFS shall provide protection to employees who file a complaint or cooperate or avoid corruption without any penalties and accusations as well as shall not demote or reduce salary although such actions will cause BAFS's loss of business opportunities.



#### 7.4 Penalties

In case of finding that any employee acts against BAFS's Code of Conduct and Anti-Corruption Policy, such employee shall receive disciplinary penalties in accordance with BAFS's Policy and Regulations Manual regarding discipline and disciplinary penalties. Employee disciplinary actions ranges from oral warnings to suspension or termination of employment without sorting in ascending order, which depends on final approval made in accordance with Delegation of Manual of Authorities. Such employee shall be undergoing legal punishment in case his/her is also against the law.

Moreover, employees can seek advice on compliance with anti-corruption measures from their supervisors in hierarchical level or the Corporate Governance Working Group or the Manager of Regulatory Compliance Division, of which BAFS shall not disclose any information.

#### 7.5 Results Report

BAFS shall notify result of investigation to whistleblowers/ complainant within 30 days after completion of the process.

- BAFS has no records of breaches of laws related to labour, employment, consumer and trade competition.
- In 2020, BAFS received no complaint relating to violation of Code of Conduct or the Anti-Corruption Policy from employees.

### Section 4: Information Disclosure and Transparency

#### 1. BAFS's Information Disclosure

BAFS discloses important information in its Annual Report and website at [www.bafsthailand.com](http://www.bafsthailand.com) in both Thai and English. Such information includes vision, mission, major policies, corporate group structure, nature of business and competitive situation, financial status and operating results, business risks, shareholding structure, organizational structure, Board of Directors and the Management, categories of directors, biographies, direct and indirect shareholding of directors and the Management, training records of directors, remuneration policy for directors and the Management, remuneration schemes and amount of remuneration of directors of BAFS and its subsidiaries, duties and responsibilities of the Board of Directors and subcommittees during the past year such as number of meetings, number of times for meeting attendance, investor relations information, meeting notices, AGM minutes and press release. In addition, BAFS updates information in its website regularly.

#### 2. Preparation of Financial Reports

The Board of Directors appoints the Audit Committee to review and ensure that BAFS prepares financial reports which are accurate, complete and transparent enough to maintain BAFS's assets and prevent fraudulent and unusual actions by adhering to the Generally Accepted Accounting Principles and appropriate accounting policy as well as considering rationales and exercising discretion to strengthen BAFS's stakeholders' confidence. The Board of Directors also provides a report on the Board of Director's responsibilities towards the financial statements, which includes important matters in accordance with the Code of Best Practice of Directors of Listed companies recommended by the SET. The Report in which signed by the Chairman of the Board of Director and the President will be presented together with the Auditor Report in the Annual Report.

In 2020, BAFS assigned the auditor from EY Office Company Limited, who was approved by SEC as a knowledgeable, proficient, and independent auditor to be the BAFS's auditor. BAFS's financial statements was certified unconditionally in all material respect in accordance with the General Accepted Accounting Principles and approved by the Audit Committee/the Board of Director before being disclosed to the shareholders.

BAFS also prepares a Management Discussion and Analysis (MD&A) on a quarterly basis to provide an analytical explanation regarding its financial status, operating results, factors affecting financial status and operating results as well as significant changes. Moreover, important news and information are disseminated to the shareholders via BAFS Newsletter.

In accordance with the Balanced Scorecard concept, which suggests that an organization shall be viewed from four perspectives including finance, customer and stakeholder, internal management process, and learning & development, BAFS then applies Key Performance Indicators (KPIs) by stipulating its strategic objectives to be in line with goals of strategic plans and risk appetite, such as return on assets, market share, customer satisfaction and success of human resource development plan.

### 3. Channels for Information Disclosure

- 3.1 BAFS recognizes the importance of both financial and non-financial information disclosure which shall be made in a correct, complete, timely and transparent manner via the following channels:
  - SET's Information dissemination system and SEC's website;
  - BAFS's website at [www.bafsthailand.com](http://www.bafsthailand.com), where information is provided in both Thai and English;
  - Report on quarterly operating results, provided to analysts and investors on Opportunity Day at SET;
  - Press Release;
  - Newsletter to present BAFS's financial status;
  - Information provided to analysts and investors who visit BAFS and consult with BAFS's executives;
  - Analyst Meeting;
  - Documents mailed to shareholders
- 3.2 BAFS provides information disclosure in compliance with SET and SEC regulations and sets up a Regulatory Compliance Division to undertake in this matter.
- 3.3 The Investor Relations Division regularly organizes annual activities. In 2020, there were significant activities as follows:

Activities	No. of Times
Joining the Opportunity Day	4
Arranging shareholders' newsletters	2
Arranging meetings to provide information to institutional investors, analysts and shareholders by phone, e-mail, and teleconference	108
Providing information for BAFS credit rating review	2

BAFS has never been ordered to have its financial statements amended by SEC and disclosed its annual and quarterly financial statements to shareholders and investors in a timely manner.

## Section 5: Responsibilities of Board of Directors

The Board of Directors plays a key role in corporate governance to ensure BAFS's maximum benefits as well as takes responsibility for their performance to shareholders without intervention from the Management.

### 1. Board of Directors Structure

- 1.1 The Board of Directors considers appropriateness of its structure and determines its composition to consist of at least 11 members, but no more than 15 members. Currently, BAFS's Board of Directors comprises 14 directors as follows:

- 2 executive directors (14.29 percent);
- 12 non-executive directors (85.71 percent).

Seven of them are directors from third parties and five of them are independent directors, which is equal to one-third of the total number of the directors. Seven directors, who are non-executive directors, have experience in major business or industry in which BAFS currently operates.

- 1.2 The Board of Directors defines its structure to be consisted of directors with diversified qualifications. They are experts who possess knowledge, capabilities, experience, ethics and morality, and are generally accepted. A variety of skills include industrial knowledge, finance, management, international trade, strategy, crisis management, legal, corporate governance or others that are consistent with and beneficial to BAFS's business operations. **Meanwhile, the independent director's qualification regarding shareholding proportion is defined to be more stringent than requirement of SEC as shown in Section 4: Nomination and Appointment of Directors and Top Executive.**
- 1.3 To better enhance checks and balances within the Board of Directors, the Chairman of the Board is an independent director, who is not the same person as the President and does not have any relationship with the Management.
- 1.4 Duties and responsibilities of the Board of Directors and the Management are clearly segregated from each other and defined in writing.

- 1.5 The directors hold definite term of office according to BAFS's Articles of Association, stipulating that at each annual general meeting of shareholders, one-third of the directors must retire from office. The directors who have been the longest in office shall retire first. Nonetheless, the number of years of independent directors' term of office and the number of consecutive terms for directors are not defined due to a limited number of persons who have knowledge and experience related to BAFS's business.
- 1.6 The Board of Directors recognizes the importance of efficiency as Directors and President, BAFS therefore imposes a policy on directorship in other companies as in line with the best practices. Each director shall hold directorship in no more than 5 listed companies. The President shall take director or President positions in other companies other than subsidiaries, associated companies or other companies in which BAFS holds shares only if such matter is approved by the Board of Directors.
- 1.7 BAFS has the Assistant Director of the Corporate Secretary Office who has a wide knowledge of laws and passed corporate secretary training programs and other relevant programs to perform as the Corporate Secretary
- 1.8 BAFS imposes a policy for its directors, executives or employees to be directors or executives in its subsidiaries as well as arranges a monitoring system for operations and operational direction of subsidiaries to ensure that BAFS is able to oversee its subsidiaries' performance efficiently.

**Furthermore, BAFS establishes subcommittees to assist in studying details and screening tasks to enhance the Board of Directors' work efficiency and ensure its transparency. Details of the Committees are shown in Heading 7.3: "Subcommittees".**

## **2. Roles, Duties and Responsibilities of the Board of Directors**

- 2.1 To perform duties and responsibilities with accountability, discretion and honesty in compliance with laws, objectives, Articles of Association, AGM resolutions, Board of Director meeting resolutions and BAFS's policies related to the Board of Directors. The Board of Directors shall not have interests or commit any acts that cause conflict of interest. A Compliance Unit shall also be set up.  
  
In 2020, BAFS had no records of breaches of laws, rules and regulations of SEC and SET.
- 2.2 To consider and review BAFS's vision, mission, objectives, main goals, strategies, policies, core values as well as resource allocation. In 2020, the Board of Directors reviewed BAFS's vision, mission and strategies accordingly.
- 2.3 To ensure that BAFS creates sustainable value covering good long-term returns, conducts its business with ethics and is accountable to the stakeholders while developing or mitigating negative impacts towards the environment and being able to adapt to changes.
- 2.4 To ensure that the executives and employees perform their duties with accountability, discretion and integrity and to undertake the operations in compliance with laws, objectives, regulations, AGM resolutions, Board of Director meeting resolutions and BAFS's relevant policies.
- 2.5 To assign duties and responsibilities to the President and the Management explicitly in writing and to ensure that the directors and executives perform their duties efficiently and effectively in accordance with policies and scope of duties and responsibilities assigned.

- 2.6 To oversee and ensure that the Management sets up and implements operational plans in accordance with vision, objectives, goals, strategic plans and the Board of Directors resolutions as well as allocate resources efficiently and effectively while cultivating a corporate culture that promotes innovation creation in order increase BAFS's long-term. BAFS's strategy implementation shall be monitored every 6 months.
- 2.7 To stipulate and review structure and composition of the Board of Directors as well as appropriate proportion of directors and independent directors to ensure their consistency with BAFS's business objectives and strategic plans.
- 2.8 To establish a nomination and selection process to appoint transparent directors and President and a development process for directors, President and senior executives in order to ensure that they have knowledge, skills, experience and attributes that are necessary for driving the organization toward the achievement of goals and to monitor and oversee human resource management and development in order to ensure appropriate number of workforce, knowledge, skills, experience and incentives.
- 2.9 To set appropriate remuneration for the directors and executives by benchmarking their roles and responsibilities against those of other companies in the same industry. Such remuneration shall be consistent with BAFS's strategies, short-term and long-term goals and operating results.
- 2.10 To oversee and deal with conflict of interest which may occur between BAFS and the Board of Director, the Management or shareholders as well as misuse of BAFS's assets, information, opportunities and transactions entered into with BAFS's related persons in order to ensure compliance with laws, criteria and official regulations.
- 2.11 To impose, oversee and monitor compliance with the Anti-Corruption Policy and anti-corruption practice guidelines, actions taken upon receipt of complaints and whistleblowing procedures at all organizational levels and for third parties.
- 2.12 To ensure that BAFS has effective risk management, internal control and internal audit systems in order that BAFS's operations would comply with relevant laws and standards.
- 2.13 The independent directors shall independently exercise their discretion in strategy determination, management, use of resources, committee appointment and operational standard setting. The independent directors shall be ready to oppose actions of other directors or the Management in the event of conflict that affects equality of all shareholders.
- 2.14 Whether for their benefits or benefits of others, BAFS's directors shall not conduct businesses or be directors or executives or shareholders of companies conducting the same business and competing with BAFS unless such directors notify the shareholders' meeting or the Board meeting of such matters prior to the appointment resolution. In this regard, Company's director shall take director positions for no more than 5 listed companies.
- 2.15 To keep BAFS's internal information confidential and shall not use such information for their benefits or benefits of others as well as refrain from trading in securities for at least 30 days before and 1 day after the announcement of financial statements.
- 2.16 BAFS's directors shall report without hesitation to BAFS in the events as follows:
  1. The director or related person having direct or indirect interests which are related to BAFS or its subsidiaries' business operations;
  2. Increase or decrease in shares or debentures of BAFS or affiliated companies.

- 2.17 To appoint a Corporate Secretary to provide suggestions related to laws and regulations, to undertake documentation and to maintain documents related to the Board meeting and shareholders' meeting as well as to perform other duties as required by laws
- 2.18 To have the financial reports and other reports prepared in accordance with relevant rules, standards and practices. The accurate, adequate, and equitable information shall be disclosed to stakeholders in a timely manner. In the meantime, the shareholders are entitled to participate in making decision on the BAFS's important issues.
- 2.19 The Board of Directors may consider hiring external consultants to provide suggestions or assists the Board of Directors. The consultants' information including their independence or non-conflict of interest shall be reported to the Board of Directors and disclosed in the Annual Report.
- 2.20 Roles and responsibilities of the Board of Directors and the Management are clearly separated from each other in terms of structures and duties. In this regard, letters of delegation of authority identifying clear scope of authority are prepared for executives. Meanwhile, BAFS communicates such roles, duties, and responsibilities to related persons regularly.
- 2.21 BAFS establishes Code of Conduct, Code of Conduct for stakeholder groups, Director Code of Conduct, and Employee Code of Conduct in different areas such as conflict of interest, confidentiality, procurement, use of insider information, anti-bribery and anti-corruption, intellectual property and use of information technology, and monitors compliance monitoring and disciplines.

Moreover, BAFS develops a Supplier Code of Conduct serving as standards and practice guidelines for business operations mutually conducted with its business partners such as aviation fuel suppliers, or goods, or related products in support of BAFS's service, or suppliers of goods or services for BAFS.

BAFS promotes compliance with the Code of Conduct, establishes a tangible compliance monitoring system such as online self-assessments on a yearly basis for all executives and employees as well as analyzes Code of Conduct test results and reports them to the Board of Directors.

- 2.22 The Board of Directors clearly defines a Conflict of Interest Policy in BAFS's Code of Conduct and establishes procedures to monitor transactions that may cause conflict of interest and regulations regarding connected transaction in accordance with the SEC regulations. In case any transaction must be approved by the Board of Directors and/or shareholders meeting, such transaction will be firstly reviewed, screened, and commented by the Audit Committee. However, in case the Board of Directors' opinion is different from the Audit Committee's, BAFS shall disclose their different opinions as well. In this regard, the BAFS's directors who have interests in any agenda item, shall not be entitled to vote such agenda item.
- 2.23 BAFS disclosed information regarding its connected transactions with persons who may have conflict of interest in 2020. **The Board of Directors viewed that all connected transactions were reasonable, fair and beneficial to BAFS's business. The pricing is based on normal business operations and in compliance with the SEC regulations as shown under the heading of "Connected Transactions".**



- 2.24 BAFS has adequate and appropriate internal control system and workforce to conduct its internal control efficiently. Meanwhile, BAFS monitors and oversees its subsidiaries' performance to ensure that they are able to protect assets from wrongful actions or without authority of their directors and executives. In 2020, no significant internal control system failures were found. Its details are shown in Topic: "Summary of Opinions Concerning Internal Control System of 2020".
- 2.25 The Board of Directors defines the Risk Management Policy by focusing on implementation of risk management process throughout the organization to support BAFS's achievement of objectives according to its strategic plans. The Corporate Risk & Strategic Management Office undertakes risk management monitoring to ensure that every department complies with risk management process and measures success of strategic objectives on a yearly basis. In addition, BAFS sets risk indicators as early warnings and has relevant persons establish corrective measures to improve better performance before a crisis occurs and any correction cannot be done. In this regard, the Risk Management Committee considers and summarizes risk management performance, while the Audit Committee reviews such summary and reports it to the Board of Directors on a quarterly basis.
- 2.26 To assess effectiveness of internal control and risk management systems, BAFS sets up the Internal Audit Unit to conduct audits on internal control and risk management systems as well as provide assurance and advice fairly and independently to increase value and improve BAFS's operations. The Internal Audit Unit also prepares an auditing report for the Audit Committee and a management report for the President. In addition, the Board of Directors and the Audit Committee review adequacy of internal control and risk management systems and regularly provide comments on such matters on a yearly basis.
- 2.27 To assess effectiveness of internal control system, the Internal Audit Unit reviewed incident indicators or risk factors affecting objectives and risk management approaches of operators to ensure accurate and appropriate risk identification and assessment. Meanwhile, the Internal Audit Unit ensures systematic risk management and reports risks to relevant persons in a complete and timely manner while continually reviewing risks on a quarterly basis.

### 3. Approval Authority of the Board of Directors

The Board of Director has authority to set policies and approve BAFS's matters within the scope of duties stipulated by laws, BAFS's Articles of Association and shareholders meeting resolutions as follows:

- 3.1 Setting and review of vision, mission and operational strategies;
- 3.2 Annual budget and business plans;
- 3.3 Appointment of directors vacating their positions during the year;
- 3.4 Appointment of representative directors in subsidiaries or associated companies;
- 3.5 Joint venture projects and important contracts; and
- 3.6 Connected transactions relating to acquisition or disposal of assets.

#### 4. Nomination and Appointment of Directors and Top Executive

For the nomination of BAFS's directors to fill in all vacancies, the Nominating and Corporate Governance Committee shall consider and review appropriateness of the Board structure based on BAFS's business and determines required qualifications of directors selected from BAFS's Board Skill Matrix, by focusing on Board composition, knowledge, capabilities and qualifications that are consistent with BAFS's strategies and objectives. The Nominating and Corporate Governance may use a nomination method or methods such as searching for persons with knowledge, capabilities and experience that are suitable for BAFS, hiring professional search firms or nomination proposed by BAFS's directors or shareholders as well as use of Director Pool of the Thai Institute of Directors (IOD) as part of the nomination process. In addition, BAFS annually gives minority shareholders opportunities to propose a director nominee in advance. Then, the Nominating and Corporate Governance Committee considers and selects candidates and proposes a list of names to the Board of Directors and/or Shareholders Meeting for appointment.

However, the nomination of directors to replace directors retiring by rotation is proposed to the shareholders' meeting for appointment, based on a majority voting criteria and procedures as follows:

1. Each shareholder shall have one vote per share.
2. Each shareholder may cast all his/her vote(s) according to (1) to elect one or several candidates as directors, but cannot allot the votes to any candidate at any number.
3. The candidates receiving the highest number of votes in the respective order of the votes shall be elected as directors until all of director positions are filled. In the event that the number of candidates receiving an equal number of votes, which would otherwise cause the number of directors to be exceeded, a Chairman of the meeting shall have a casting vote.

Pursuant to Section 70, paragraph one of the Public Limited Company Act (cumulative voting), each shareholder cannot allot his or her vote(s) to any candidate at any number.

**BAFS has stipulated qualifications of its directors and independent directors regarding shareholding to be more stringent than the requirements of SEC to ensure true independence of its independent directors. The criteria for qualifications of "independent director" are as follows:**

1. An independent director holds no more than 0.5 percent of the total number of voting shares of BAFS, its parent company, subsidiaries, associates, major shareholders or controlling persons, including the shares held by any related persons of such independent director.
2. An independent director is not or was not an executive director, an employee, a staff member and a consultant with monthly salary or a controlling person of BAFS, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders or controlling persons, unless such status has ended no less than two years before taking up the independent directorship. However, such prohibited characteristics exclude the case where the independent director was a government official or a consultant of government agencies, which are major shareholders or controlling persons of BAFS.
3. An independent director is not related by blood or legal registration as a father, a mother, a spouse, a sibling, a son/daughter or a spouse of a son/daughter of executives, major shareholders, controlling persons, or an individual to be nominated an executive or a controlling person of BAFS or its subsidiaries.

4. An independent director does not have a business relationship with BAFS, its parent company, subsidiaries, associates, major shareholders or controlling persons in such a manner that may obstruct his/her exercise of independent discretion. Moreover, an independent director is not or was not a significant shareholder or a controlling person of any party that has a business relationship with BAFS, its parent company, subsidiaries, associates, major shareholders or controlling persons, unless such status has ended no less than two years before taking up the independent directorship.
5. An independent director is not or was not an auditor of BAFS, its parent company, subsidiaries, associates, major shareholders or controlling persons, and is not a significant shareholder or a controlling person of BAFS or a partner of auditing companies that employ auditors of BAFS, its parent company, subsidiaries, associates or controlling persons, unless such status has ended no less than two years before taking up the independent directorship.
6. An independent director is not or was not a provider of any professional services including those as a legal consultant or a financial consultant that receives service fees of more than 2 million Baht per year from BAFS, its parent company, subsidiaries, associates, major shareholders or controlling persons of BAFS, and is not a significant shareholder, a controlling person or a partner of providers of professional services, unless such status has ended no less than two years before taking up the independent directorship.
7. An independent director is not a director appointed as a representative of director of BAFS, major shareholders or shareholders related to the major shareholders.
8. An independent director does not undertake similar businesses in competition with BAFS or its subsidiaries or is not a significant partner in a partnership or is an executive director, an employee, a staff member, a consultant with monthly salary or holds more than 1 percent of the total number of voting shares of other companies which undertake similar businesses in competition with BAFS or its subsidiaries.
9. An independent director is not a director assigned by the Board of Directors to make decisions on business operations of BAFS, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders or controlling persons of BAFS.
10. An independent director is not a director of the parent company, subsidiaries or same-level subsidiaries, which are listed companies only.
11. An independent director does not have any other characteristics which can compromise his/her expression of free views about BAFS's business operations.

#### **Nomination of President**

The Board of Directors assigns the Nominating and Corporate Governance Committee to proceed the nomination and selection of the President by selecting potential persons from within and outside the organization based on experience in the energy business or related businesses, skills and specific qualifications in different areas that are beneficial to BAFS's business, visionary leadership, and management knowledge and capabilities that are consistent with corporate values and beneficial to BAFS's business. Once a list of candidates is selected, it will be further proposed to the Board of Directors for appointment.

## 5. Board of Directors Meeting

- 5.1 The Board of Directors schedules annual Board meetings, which are notified to all Board members, in advance to allow them to allocate their time for meeting attendance. There shall be the maximum number of 5 meetings per year, which are appropriate for the duties and responsibilities of the Board of Directors and its business nature. However, special meetings may be held as deemed necessary. The Chairman of the Board of Directors together with the President shall determine a meeting agenda whereas all board members are entitled to propose agenda items independently. In 2020, BAFS held 10 Board of Directors meetings, consisting of 5 normal meetings and 5 ad hoc meetings. Each director attended meetings regularly.

**Details of meeting attendance of the Board of Directors and Subcommittees are shown in Item 8.1.2: “Meeting Attendance and Remuneration of Individual Directors”.**

- 5.2 BAFS delivers a meeting invitation letter with clear and adequate supporting documents for each agenda item to the directors for at least 5 working days in advance to ensure their sufficiency of time for studying all details prior to the meeting.
- 5.3 Final decision of the Board of Directors meeting is reached by a majority vote. Each director has one vote, except for the director having interests in the matter who is not entitled to vote for such matter. In the event of a tie of vote, the Chairman shall give a casting vote. Moreover, BAFS stipulates a quorum for a Board meeting whereby not less than two-thirds of the total number of directors must attend the meeting.
- 5.4 In each Board meeting, the Chairman allots sufficient time for the Management to propose issues and directors to discuss circumspectly and thoroughly on the issues. The Chairman also encourages the meeting to exercise discretion carefully. Moreover, the Board of Directors allows the President to invite the Management, who are relevant to proposed issues, to attend the meeting for clarifying and providing additional information. In addition, directors can require more information from the Corporate Secretary. The Board of Directors may allow BAFS to propose opinions of external consultants or experts as deemed necessary.
- 5.5 The Corporate Secretary prepares meeting minutes with complete and accurate details such as names of directors who attend and who are absent from the meeting, substantial summary of discussed issues, opinions of each director as well as resolutions of the Board of Directors. All details are to be clear for shareholders’ inspection as required by laws. BAFS also provides a good and careful meeting minutes filing system.
- 5.6 Each director shall attend at least 75 percent of the total number of meetings each year.

## 6. Chairman of the Board of Directors and President

The Chairman of the Board of Directors is the director, who is neither the executive director nor the President, does not have any relationship with the Management. Their roles, authorities and duties are clearly segregated. The Chairman of the Board is an independent director whose duties are as follows:

- 6.1 To consider a Board of Directors meeting agenda with the President and ensures that Board members receive clear, accurate, complete and timely information prior to the meeting to appropriately assist in their decision making;

- 6.2 To be a leader of the Board of Directors and a chairman of the Board of Directors meeting;
- 6.3 To conduct a Board of Directors meeting according to the agenda, BAFS's Articles of Association and applicable laws;
- 6.4 To allocate sufficient time and encourage all Board members to discuss and exchange opinions freely with discretion and concern for all stakeholders;
- 6.5 To summarize Board of Directors resolutions and further actions clearly;
- 6.6 To arrange a Board of Directors meeting without the presence of the executive directors;
- 6.7 To lead a shareholders meeting according to the agenda, BAFS's Articles of Association and applicable laws by allocating sufficient time and giving shareholders opportunities to express their opinions equally and ensure appropriate and transparent responses to the shareholders' inquiries;
- 6.8 To support and be a role model in compliance with the Good Corporate Governance and Anti-Corruption Policy and Code of Conduct;
- 6.9 To enhance good relationships between the executive directors and non-executive directors and between the Board of Directors and the Management;
- 6.10 To oversee information disclosure and transparent management in the event of conflict of interest;
- 6.11 To oversee appropriateness of the Board of Directors' structure and composition;
- 6.12 To oversee the overall performance of the Board of Directors, subcommittees and each individual director to ensure their efficiency and effectiveness and achievement of objectives as planned;
- 6.13 To perform specific duties of the Chairman of the Board of Directors stipulated by laws; and
- 6.14 To ensure that all directors take part in promoting ethics and good corporate governance in core values.

The President is the head and leader of BAFS's management, directly reporting to the Board of Directors in order to achieve objectives of policy and strategic plans as specified.

## 7. Non-Executive Director Meeting

The Board of Directors encourages non-executive directors to meet each other as deemed necessary in order to discuss various issues receiving much attention without participation of the Management. In 2020, there was one meeting of non-executive directors without participation of the Management to discuss about BAFS and subsidiaries' performance, held on December 16, 2020. The meeting results were notified to the President.

## 8. Self-Assessment of the Board of Directors

BAFS arranges assessments of the Board of Directors and subcommittees on a yearly basis. The performance assessments of the Board of Directors and Audit Committee are divided into 2 categories, namely a collective assessment and an individual self-assessment. The subcommittees, including the Remuneration Committee, the Nominating and Corporate Governance Committee, the Risk Management Committee, and the Corporate Sustainability Committee, uses collective assessments. The assessment forms of the Board of Directors and all subcommittees contain assessment criteria which are aligned in the same direction and regularly revised to ensure their appropriateness.

With regard to the assessment process of the Board of Directors, the Corporate Secretary and Subcommittees' Secretaries shall deliver assessment forms to directors, which will be later returned to BAFS. BAFS will not disclose names of assessors to ensure independence of directors. Furthermore, BAFS will present assessment results to the Board of Directors meetings for their mutual consideration and determination of improvement guidelines for better performance.

**The criteria for collective performance assessment of Board of Directors include 9 main topics** as 1. Structure and qualifications of the Board of Directors; 2. Roles, duties and responsibilities of the Board of Directors; 3. Appointment of directors and committee members; 4. Board of Directors meeting; 5. Shareholders meeting; 6. Report of information; 7. Relationship with the Management; 8. Director self-development and executive development; and 9. Suggestions.

**The criteria for individual performance assessment of Board of Directors include 8 main topics** as 1. Qualifications of the director; 2. Holding a position of BAFS's director; 3. Remuneration of the director; 4 Meeting participation; 5. Board of Directors meeting; 6. Roles, duties and responsibilities of the director; 7. Training and other information; and 8. Suggestions.

**Details of assessment results in 2020 are shown in Item 8.1 Summary of Board of Directors in the Previous Year.**

Furthermore, BAFS regularly arranges an assessment of the Board of Directors meeting efficiency after each meeting. Its results will be informed in the next meeting.

## 9. Performance Assessment of the President

BAFS arranges a President performance assessment on yearly basis whereby the Remuneration Committee conducts such assessment and presents its results to the Board of Directors for approval. The summary of the President performance assessment is kept confidential.

The criteria for President performance assessment are divided into 3 parts as 1. BAFS's profits; 2. BAFS's strategic plans; and 3. Behavior and management. The assessment results are used for the President's salary adjustment, whereby its details will be further proposed to the Remuneration Committee and the Board of Directors for approval

## 10. Remuneration

**Remuneration of Director:** BAFS's Remuneration Committee is responsible for considering remuneration provided to its directors. The remuneration determination process is explicitly and transparently defined and approved by the Shareholders meeting. The director's remuneration is adjusted to be appropriate with duties and responsibilities assigned and in the same range of businesses in the industry or businesses of similar size. Meanwhile, it is high enough to maintain qualified directors as required. In addition, BAFS's director who is assigned to undertake more duties will receive higher remuneration.

**Remuneration of the President:** the Board of Directors approves remuneration of the President, consisting of short-term remuneration such as monthly remuneration and bonus, and long-term remuneration whereby it is firstly screened by the Remuneration Committee in accordance with the employment contract. Key Performance Indicators (KPIs) are applied for annual performance assessment of the President as well as performance assessment of the directors and executives by using actual performance during January to December, comprising



**Part 1** BAFS's profits;

**Part 2** BAFS's strategic plans, covering financial, customer and stakeholder, internal process and learning and development perspectives; and

**Part 3** Behavior and management and other criteria approved by the Board of Directors.

For such performance assessment, the President, who is an executive director and has interest in the matter, does not take part in the consideration. The Chairman of the Board of Directors will inform the President of the results.

**Remuneration of Executives and Employees:** BAFS determines remuneration of executives and employees in accordance with the principles and policy stipulated by the Board of Directors, which is aligned with BAFS's profits in each year and performance results of each executive and employee by implementing Key Performance Indicators (KPIs) system.

**BAFS discloses remuneration of the Board of Directors in Item 8.1.2, meeting attendance and remuneration of individual directors and remuneration of top executive in Item 7.4.3 Total Remuneration of BAFS's Executive Directors and Executives.**

In 2020, remuneration of employees was 474,691,739.42 Baht in total.

## 11. Director and Executive Development

- 11.1 BAFS promotes and facilitates its directors and executives by providing them with training programs to ensure their performance improvement consistently.
- 11.2 The Board of Directors develops guidelines for the Good Corporate Governance and Anti-Corruption Policy, Anti-Corruption Policy and Code of Conduct, which are distributed to all directors. To ensure their up-to-date, the contents are regularly improved. The Board of Directors then acknowledges crucial criteria regarding the Board of Directors and subcommittees as well as major policies and important information of BAFS and is able to ensure more effective corporate governance.
- 11.3 BAFS organizes orientation programs for new directors whereby the President and relevant executives together with the Corporate Secretary and Manager - Investor Relations present information regarding shareholding structure, organizational structure, business characteristics, BAFS's operations, important financial information, the Corporate Group information, the Board of Directors Meeting and other information such as relevant criteria for good corporate governance, anti-corruption and criteria of SET and SEC.
- 11.4 BAFS arranges orientation programs for newly-appointed executives whereby the Corporate Secretary presents information such as the policy and criteria related to good corporate governance, anti-corruption and criteria of SET and SEC.
- 11.5 BAFS places importance on various trainings or seminars to enhance knowledge and capabilities of all directors by encouraging them to attend trainings or seminars related to directors. BAFS's directors participated in such trainings or seminars for over than 75 percent of the total number of Board of Directors. In 2020, there were 4 directors, namely Mr. Cherdphan Chotikhun and Mr. Saksith Srilertfar attending the Director Accreditation Program (DAP), Class 172/2020; Squadron Leader Soradej Namruangsri and Mr. Chai Eamsiri attending the Director Accreditation Program (DAP), Class 168/2020 and 174/2020, respectively, which organized by the Thai Institute of Directors (IOD).

Names	Directors Accreditation Program (DAP)	Directors Certification Program (DCP)	Role of the Chairman Program (RCP)	Financial Statements for Directors (FSD)	Finance for Non - Finance Directors (FND)	Role of the Compensation Committee (RCC)	Successful Formulation & Execution of Strategy (SFE)	Anti-Corruption for Executive Program (ACEP)	Audit Committee Program (ACP)	Monitoring of the Quality of Financial Reporting (MFR)	Monitoring the system of Internal Control and Risk Management (MIR)	Role of the Nomination and Governance Committee (RNG)	Board Nomination and Compensation Program (BNCP)
1. Mr. Palakorn Suwanrath	63/2007	92/2007	16/2007										5/2018
2. M.R. Supadis Disku	12/2004	51/2004	16/2007		14/2004	4/2007	5/2009	11/2014				8/2016	
3. Mr. Prakobkiat Ninnad		193/2014											
4. Mr. Puttipong Prasarttong-Osoth	100/2013	241/2017											
5. Mr. Cherdphan Chotikhun	172/2020												
6. Mr. Chai Eamsiri	174/2020												
7. Mr. Nitinai Sirismatthakarn	138/2017	258/2018											
8. Mr. Chumpol Surapittayanont		177/2013											
9. Mr. Saksith Srilertfar	172/2020												
10. Mr. Kongsiam Chinwanno	150/2018												
11. Mr. Aswin Kongsiri		11/2001	5/2001										
12. Mr. Pachara Yutidhamdamrong	55/2006								15/2006				
13. Mr. Visut Montriwat		77/2006				2/2007			15/2006	7/2009	1/2007		
14. Mr. Pipat Purnananda	94/2012	172/2013		23/2014					43/2013				
15. Squadron Leader Soradej Namruangsri <sup>1/</sup>	168/2020												
16. Mr. Nattapong Samit-ampaipisarn <sup>2/</sup>	165/2019												
17. Mr. Peratak Autadej <sup>3/</sup>		218/2016											
18. Mr. Rungroj Sivachan <sup>4/</sup>	140/2017												

Remarks: <sup>1/</sup> Resigned from directorship, effective from October 1, 2020

<sup>2/</sup> Resigned from directorship, effective from July 20, 2020

<sup>3/</sup> Completion of directorship term, effective from July 16, 2020

<sup>4/</sup> Resigned from directorship, effective from March 31, 2020

## 12. Succession Plan

The Board of Directors recognizes that human resource, especially at the management level, is one of the key factors contributing to the achievement of sustainability in its organizational management. Therefore, BAFS promotes the implementation of succession planning policy to have successors manage the organization systematically. In addition, as competent human resource at the management level can greatly contribute to its organizational growth, BAFS then defines a nomination and selection process based on explicit, tangible and transparent criteria, which are consistent with the Code of Conduct, in order to achieve its organizational goals.

BAFS arranges appropriate and transparent guidelines for nomination and selection process of candidates to fill in executive and senior executive-level positions in advance. To ensure that BAFS selects candidates who are ethical, competent and well-prepared in all aspects to build and improve its competitiveness in a continuous and sustainable manner, it then sets criteria for consideration and selection of successors as follows:

### 1. President

The Nominating and Corporate Governance Committee shall nominate and select both internal and external competent candidates by considering experience in energy business or related businesses, skills and specific qualifications in various fields necessary for BAFS's business, high leadership capacity, vision, management knowledge and capabilities aligned with core values and beneficial to the business.

### 2. Deputy Director/Assistant Director and Director

When deputy director/assistant director and director positions are going to be vacant, BAFS shall nominate and select competent employees at department manager level by implementing the following procedures:

- Evaluate competence of qualified candidates;
- Arrange professional tests including English proficiency, ability and aptitude, managerial thinking, work presentation and vision communication, and interviews conducted by the candidate screening committee comprising senior executives;
- Set up an executive development plan for the chosen executives to ensure their preparedness for the vacant positions;
- Specify a probation period upon taking the positions and systematically conduct performance assessments by means of the KPIs upon the completion of probation period.

The succession planning is a process to prepare potential personnel with outstanding performance for management positions to replace the existing ones continuously and support new positions in order to ensure consistency with the organizational directions and becoming part of sustainable good corporate governance.

## 6.2 Code of Conduct

BAFS established “Code of Conduct” as practice guidelines for directors, executives, and employees to achieve its mission, covering Code of Conduct for business operations, Code of Conduct for stakeholders, Director Code of Conduct, Employee Code of Conduct, and compliance monitoring and disciplines.

BAFS’s Code of Conduct is regarded as a discipline by which all directors and employees shall strictly abide. Any employee who violates or does not comply with the Code of Conduct will be disciplined according to BAFS’s policy manual, regulations, and Articles of Association for the employees on disciplines and disciplinary actions. Directors or employees will be punished pursuant to the law if such action is against the law.

In addition, the subsidiaries have also applied Code of Conduct to be practice requirements for directors, executives, and employees of subsidiaries as deemed appropriate for the organizational context and business characteristics.

Details are shown in Enclosure 5 Corporate Governance Policy and Practices and Code of Conduct

## 6.3 Significant Changes and Developments of Corporate Governance Policy, Practices, and System in the Previous Year

### 6.3.1 Significant Changes and Developments Relating to Reviews on Corporate Governance Policy, Practices, and System or Board Charter in the Previous Year

The Board of Directors imposed a written Corporate Governance Policy, which was later renamed to the Good Corporate Governance Policy, since 2002 and continuously improved the policy’s content to be more appropriate. The Nominating and Corporate Governance Committee is responsible for regularly reviewing and improving such policy at least once a year to ensure that BAFS’s policy is updated and consistent with international standard practices, laws, criteria, rules, regulations, and recommendations of the unit responsible for corporate governance.

In 2020, BAFS reviewed the Good Corporate Governance and Anti-Corruption Policy, Board Charter and Charters of Subcommittees, and other related policies and criteria. No change was made since the policies and criteria were still consistent with CG CODE and related rules and regulations and updated.

### 6.3.2 Unimplemented Practice Principles of Corporate Governance Code (CG Code) 2017

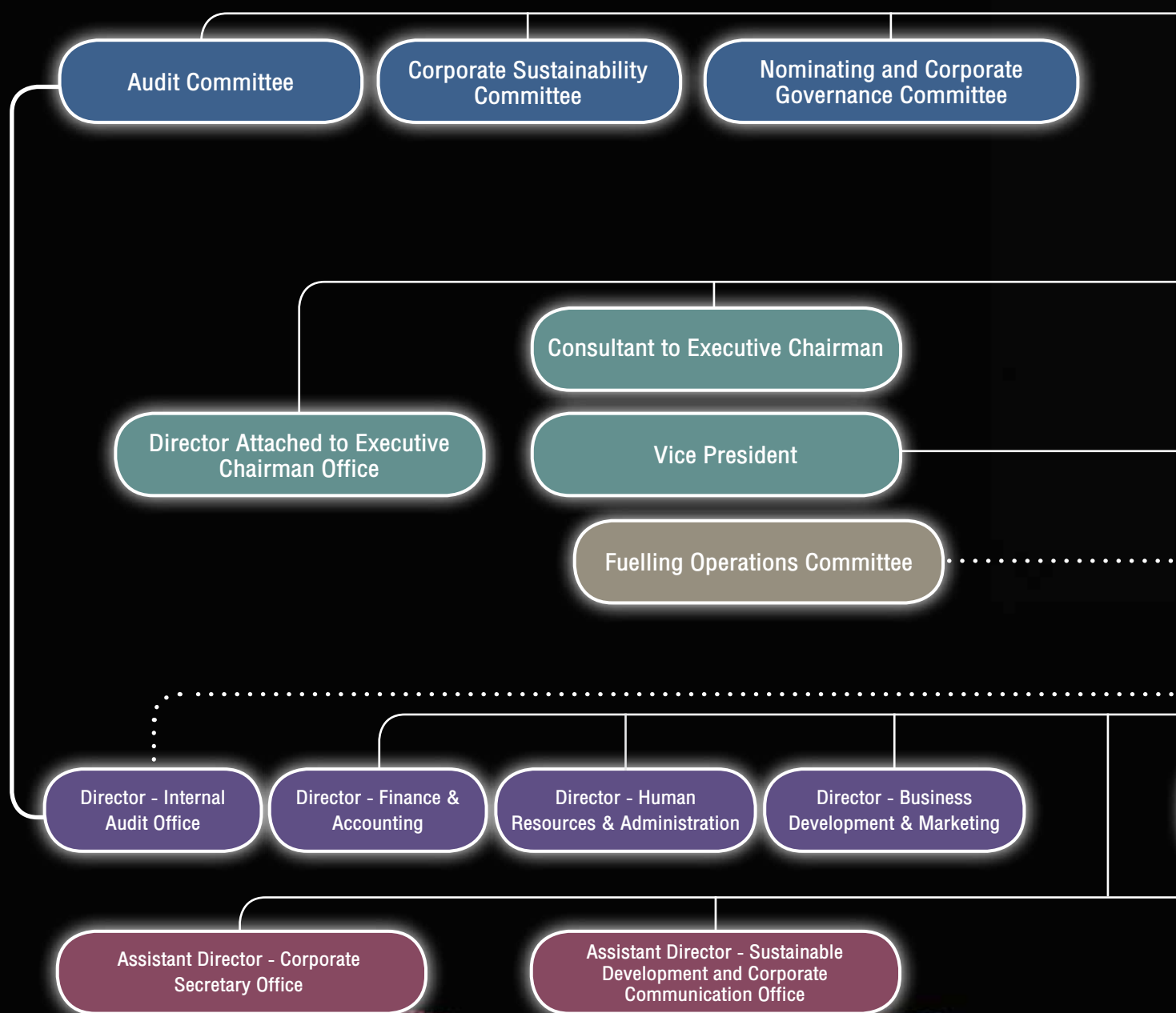
The Board of Directors considered and reviewed the application of practice principles of CG Code to BAFS’s business context. Some topics that were not deemed as appropriate for BAFS’s business context, i.e. the determination of policy to limit the number of years of a term for independent director at not exceeding 9 years. As BAFS operates business that is unique and continuously requires knowledge and experience of directors; therefore, BAFS viewed that the policy on indefinite term of independent director was already appropriate. Moreover, in case that BAFS had viewed that other practices were more appropriate for BAFS’s business context and were carried out, BAFS also recorded rationales or other practices.

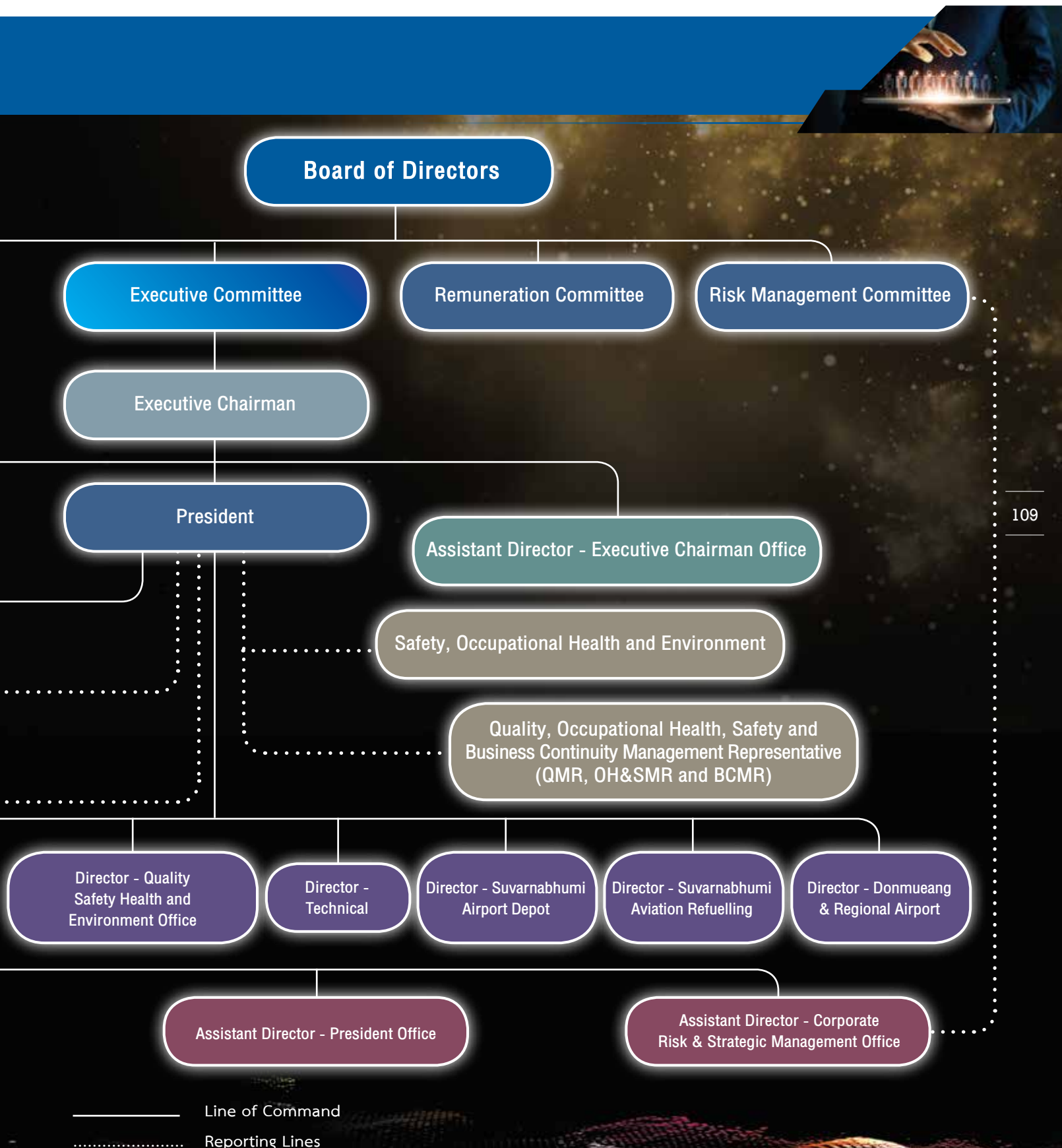
### 6.3.3 Compliance with Principles of Good Corporate Governance on Other Matters

Other than continuous participation in the Corporate Governance Report (CGR) assessment, BAFS also participated in the ASEAN CG Scorecard assessment and the AGM Checklist. In 2020, BAFS attained 100 scores on the AGM assessment by the Thai Investors Association in collaboration with Thai Listed Companies Association and SEC.

## 7. Corporate Governance Structure and Significant Information Relating to Board of Directors, Subcommittees, Executives, Employees, and Others

### 7.1 Organization Chart of BAFS







## 7.2 Information Relating to Directors

### 7.2.1 Composition of Board of Directors

As of December 31, 2020, the Board of Directors comprises 14 directors as follows:

Name	Position
1. Mr. Palakorn Suwanrath	Chairman and Independent Director
2. M.R. Supadis Diskul	Executive Chairman / Director <sup>(1)</sup> / Member of Remuneration Committee / Member of Nominating and Corporate Governance Committee / Member of Risk Management Committee / Chairman of Corporate Sustainability Committee
3. Mr. Prakobkiat Ninnad	President / Director <sup>(1)</sup> / Member of Remuneration Committee / Member of Nominating and Corporate Governance Committee / Member of Risk Management Committee / Member of of Corporate Sustainability Committee
4. Mr. Cherdphan Chotikhun	Director <sup>(1)</sup>
5. Mr. Chai Eamsiri	Director <sup>(1)</sup>
6. Mr. Puttipong Prasarttong-Osoth	Director <sup>(1)</sup>
7. Mr. Nitinai Sirismatthakarn	Director <sup>(1)</sup>
8. Mr. Saksith Srilertfar	Director <sup>(1)</sup>
9. Mr. Kongsiam Chinwanno	Director <sup>(1)</sup>
10. Mr. Chumpol Surapittayanont	Director <sup>(1)</sup>
11. Mr. Aswin Kongsiri	Independent Director / Chairman of Nominating and Corporate Governance Committee / Chairman of Risk Management Committee
12. Mr. Visut Montriwat	Independent Director / Member of Audit Committee / Chairman of Remuneration Committee
13. Mr. Pachara Yutidhammadamrong	Independent Director / Chairman of Audit Committee / Member of Remuneration Committee
14. Mr. Pipat Purnananda	Independent Director / Member of Audit Committee / Member of Risk Management Committee / Member of Nominating and Corporate Governance Committee
Mrs. Parndao Sukhyanga	Corporate Secretary

Remark: <sup>(1)</sup> Authorized directors whose signatures are recognized as binding on BAFS whereby any two of the nine directors sign and affix BAFS's seal.

Details of the proportion of independent directors against all directors and the proportion of non-executive directors against all directors are shown in the heading of Board of Directors under Section 5: Responsibilities of Board of Directors.

### 7.2.2 Details of Individual Board of Directors and Controlling Persons

Details of individual Board of Directors and controlling persons and details of directors relating to latest education, training programs organized by Thai Institute of Directors, and major experience relating to BAFS's business are shown in Enclosure 1.

#### Shares held by the Board of Directors

Name Director	Number of Shares Held		
	As of January 1, 2020	As of December 31, 2020	Increase / (Decrease) of Shares during the Year (Share)
1. Mr. Palakorn Suwanrath	-	-	-
2. M.R. Supadis Diskul	1,400,000	1,500,000	100,000
Spouse	3,000,000	3,000,000	-
3. Mr. Prakobkiat Ninnad	73,800	73,800	-
4. Mr. Cherdphan Chotikhun <sup>1/</sup>	N/A	-	-
5. Mr. Chai Eamsiri <sup>2/</sup>	N/A	-	-
6. Mr. Puttipong Prasarttong-Osoth	25,000	25,000	-
7. Mr. Nitinai Sirismatthakarn	-	-	-
8. Mr. Chumpol Surapittayanont <sup>3/</sup>	N/A	-	-
9. Mr. Kongsiam Chinwanno	-	-	-
10. Mr. Saksith Srilertfar <sup>4/</sup>	N/A	-	-
11. Mr. Aswin Kongsiri	100,000	100,000	-
Spouse	50,000	50,000	-
12. Mr. Visut Montriwat	-	-	-
13. Mr. Pachara Yutidhammadamrong	-	-	-
14. Mr. Pipat Purnananda	200,000	271,100	71,100
Mr. Rungroj Sivachan <sup>5/</sup>	-	N/A	-
Mr. Peratak Autadej <sup>6/</sup>	-	N/A	-
Mr. Nattapong Samit-ampaipisarn <sup>7/</sup>	-	N/A	-
Squadron Leader Soradej Namruangsri <sup>8/</sup>	-	N/A	-

Remarks: The information in the table shows the spouse and minor children's shareholding in BAFS.

N/A - information not available

<sup>1/</sup> Held directorship, effective from May 13, 2020

<sup>2/</sup> Held directorship, effective from October 8, 2020

<sup>3/</sup> Held directorship, effective from July 16, 2020

<sup>4/</sup> Held directorship, effective from May 13, 2020

<sup>5/</sup> Resigned from directorship, effective from March 31, 2020

<sup>6/</sup> Completed directorship term, effective from July 16, 2020

<sup>7/</sup> Resigned from directorship, effective from July 20, 2020

<sup>8/</sup> Resigned from directorship, effective from October 1, 2020

### Shares held by Executives

Name Executive	Number of Shares Held		
	As of January 1, 2020	As of December 31, 2020	Increase / (Decrease) of Shares during the Year (Share)
1. Mr. Prakobkiat Ninnad	73,800	73,800	-
2. M.L. Nathasit Diskul	400,000	470,000	70,000
3. Mr. Charoen Charusalaipong	-	-	-
4. Mr. Kanit Seetong	7,500	7,500	-
5. Mr. Suwatchai Patcharasaengthong	-	-	-
6. Miss Prapis Ruthairung	4,000	4,000	-
7. Mrs. Jirapat Charoenbhantharak Spouse	1,250	1,250	-
	5,000	5,000	-
8. Miss Yuphadee Tongaroonsri	20,625	20,625	-
9. Mr. Nattapol Narkuam	-	-	-
10. Mrs. Mayuree Nalinwong	37,500	37,500	-
11. Miss Saowapak Jungpattanaphong	116,250	116,250	-
12. Mr. Pariwat Vattanasup	73,125	73,125	-
13. Mr. Gritt Madisara Spouse	-	-	-
	35,400	35,400	-
14. Mr. Aniruth Boonyatirana	67,500	67,500	-

Remark: The information in the table shows the spouse and minor children's shareholding in BAFS.

### Directors and Authorized Signatories of BAFS

Authorized directors whose signatures are recognized as binding on BAFS are M.R. Supadis Diskul, Mr. Prakobkiat Ninnad, Mr. Chai Eamsiri, Mr. Cherdphan Chotikhun, Mr. Nitinai Sirismatthakarn, Mr. Kongsiam Chinwanno, Mr. Puttipong Prasarttong-Osoth, Mr. Chumpol Surapittayanont, and Mr. Saksith Srilertfar, whereby any two of the nine directors sign and affix BAFS's seal.

### Composition and Appointment of Director

The Articles of Association and Board Charter of BAFS determine the composition, appointment, removal, or termination of BAFS's director with details as follows:

- A Board of Directors shall consist of not less than 11, but not more than 15 directors, each of whom shall be appointment and removed by the Shareholders meeting. At least half of the directors shall reside within the Kingdom of Thailand. Each of directors must be qualified according to law.

- A director shall be appointment by the Shareholders Meeting with majority vote in accordance with defined rules and procedures.
- At every Annual General Meeting of Shareholders, one-third of the directors must retire whereby the director who has held office longest shall be a first person to retire. The directors who retire by rotation shall be eligible for re-election.
- An Annual General Meeting of Shareholders may vote on any director to retire before his/her expiration of term by vote of not less than three-fourths of the number of shareholders attending present shareholders, who entitled to vote and holding shares amounting to not less than one-half of the shares held by the present shareholders, who entitled to vote.

#### **Retirement of BAFS's Director**

The Board of Directors stipulates retirement ages of BAFS's director as follows:

- Each individual candidate nominated for being BAFS's director shall not exceed 77 years old and remain healthy.
- Each director shall retire on the last day of birth month in which his/her age is completed 77 years old.
- The President shall retire on the last day of birth month in which his/her age is completed 65 years old.

#### **7.2.3 Roles and Responsibilities of the Board of Directors**

According to BAFS's Articles of Association and Board Charter, the directors must perform their duties with honesty and care for BAFS's interests in accordance with laws, objectives, regulations as well as the shareholders meetings' resolutions. The Board of Directors may appoint another person to conduct BAFS's business under supervision of the Board of Directors or the Managing Director. The Board of Directors may provide authority to such person within the period of time as deemed appropriate. The Board of Directors may revoke or change or revise such authority given. **BAFS defined roles and duties of the Board of Directors in the Board Charter, of which details are shown in Enclosure 5.**

#### **Roles and Responsibilities of the President**

The Board of Directors has appointed a President as authorized person to perform various duties on behalf of BAFS as shown in its power of attorney, which can be summarized as follows:

- BAFS's normal business activities, which are engaged in the limit not to exceed 10,000,000 Baht except investments in financial negotiable note and treasury bonds including predetermined operating expenses, which shall be conducted in accordance with terms and conditions specified by BAFS
- Any juristic act, contract, agreement, or obligation on behalf of BAFS, which the Board of Directors has already approved or consented.
- Employment, wage payment, displacement, and others as necessary and expedient for the employees.
- Appointment of lawyers and legal counsels.
- To act on behalf or as representative of BAFS in any affair with government agencies, state enterprises or organizations established by other laws.
- Appointment and transfer sub of attorney-in-fact or a representative.

Nonetheless, such authorization given shall not constitute authorization that causes an authorized person to approve any transaction in which the authorized person or person who may have conflict of interest in other with BAFS and subsidiaries.

## Board of Directors and Subcommittees

The Board of Directors establishes subcommittees to help study and screen task, which will increase efficiency in the performance of duties of the Board of Directors, such as the Audit Committee, the Remuneration Committee, the Nominating and Corporate Governance Committee, and the Risk Management Committee. **Details of the composition and duties of the Board of Directors and subcommittees are shown in Item 7.2 Details of Directors.**

### Criminal Records of Director

- None -

## 7.3 Subcommittees

The Board of Directors sets up committees to look into and screen details of tasks in order to enhance its efficiency and transparency. Moreover, to ensure true independence of all subcommittees, the Chairman of the Board of Directors is not a Chairman or a member in any subcommittee.

### Audit Committee

The Audit Committee regularly consists of 3 independent directors whose qualifications meet BAFS and Capital Market Supervisory Board's requirements. Each member of the Audit Committee has a 3-year term of office. Its members include:

1. Mr. Pachara Yutidhammadamrong	(Independent Director)	Chairman of Audit Committee
2. Mr. Visut Montriwat	(Independent Director)	Member of Audit Committee
3. Mr. Pipat Purnananda	(Independent Director)	Member of Audit Committee
Mrs. Mayuree Nalinwong	(Director-Internal Audit Office)	Secretary of Audit Committee

**Mr. Visut Montriwat and Mr. Pipat Purnananda are Audit Committee members who have adequate knowledge and experience to perform financial statement audits as detailed in Enclosure 1 "Board of Directors".**

The Audit Committee reports to the Board of Directors and performs its duties in accordance with the Audit Committee Charter approved by the Board of Directors, with details as follows:

"To review accuracy, adequacy and credibility of BAFS's financial reporting and performance information; to review appropriateness and efficiency of BAFS's internal control and internal audit systems; to consider Internal Control Unit's independence and approve appointment, transfer and dismissal of Head of Internal Control Unit; to review BAFS's compliance with the Securities and Exchange Law, SET regulations, laws related to BAFS's business, obligations to external parties as well as BAFS's Anti-Corruption measures; To review BAFS's compliance with the Private Sector Collective Action Coalition Against Corruption, including the reference documents and Self-Evaluation Tool for Countering Bribery; to review that BAFS maintains its assets properly; to review BAFS's risk management and internal control systems independently; to consider, select and provide recommendations regarding appointment and remuneration of auditor as well as dismissal of interim auditor; to attend the meeting with the auditor without participation of the Management at least once a year; to consider connected transactions or transactions that may have conflict of interest and ensure that they are in compliance with the laws and SET regulations; to consider and review the Audit Committee Charter at least once a year; to regularly conduct collective assessments and self-assessments of Audit Committee on a yearly basis; to consider

and approve auditing annual plan, budget and workforce endorsed by the President to prepare an Audit Committee Report to be disclosed in BAFS's Annual Report; to has authority to employ professional consultants; to invite executives or related persons to provide opinions; and to perform any other duties assigned by the Board of Directors."

To increase its business value and improve its business operations, BAFS set up the Independent Internal Audit Unit to independently provide trust and reliable advice. Mrs. Mayuree Nalinwong, Director-Internal Audit Office was appointed as Chief Audit Executive. Details are shown in Enclosure 1 and Enclosure 3.

The Audit Committee considers that the Head of Internal Audit Unit possesses education, experience and trainings that are adequate and appropriate for the role. The Head of Internal Audit Unit shall apply her knowledge, professional skills and independence on duties and responsibilities. The appointment, transfer and dismissal of Head of Internal Control Unit shall be approved by the Audit Committee.

### Remuneration Committee

The Remuneration Committee consists of BAFS's directors for at least 3, but not more than 4 of them. At least 1 of them is an independent director. Each member of the Remuneration Committee has a 2-year term of office. The Executive Chairman and the President are also members of the Remuneration Committee by position. Its members include:

1. Mr. Visut Montriwat	(Independent Director)	Chairman of Remuneration Committee
2. Mr. Pachara Yutidhammadamrong	(Independent Director)	Member of Remuneration Committee
3. M.R. Supadis Diskul	(Executive Chairman)	Member of Remuneration Committee
4. Mr. Prakobkiat Ninnad	(President)	Member of Remuneration Committee
Ms. Prapis Ruthairung	(Director-Finance & Accounting)	Secretary of Remuneration Committee

115

The Remuneration Committee regularly reports to the Board of Directors and performs its duties in accordance with the Charter of Remuneration Committee approved by the Board of Directors, with details as follows:

"To consider and determine compensation, reward, meeting allowance, gratuity, bonus and other compensation for the Board of Directors, the Audit Committee, the Nominating and Corporate Governance Committee, the Risk Management Committee, the Remuneration Committee, the Fuel Oil Control Committee (FOC), the Executive Chairman, the President, the subcommittees and other committees of BAFS and propose such details to the Board of Directors or the shareholders' meeting for approval as appropriate; to consider other matters assigned by the Board of Directors; to has authority to hire professional consultants on an ad-hoc basis paid by BAFS as deemed necessary. BAFS shall report the information about the consultants as well as their independence or non-conflict of interest to the Board of Directors for acknowledgement and shall disclose such information in the Annual Report."

In addition, the Remuneration Committee shall consider interim dividend and annual dividend payments as well as propose such payments to the Board of Directors or the Shareholders Meeting for approval, as the case may be.

### Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee comprises no less than 3 BAFS's directors. Each member of the Nominating and Corporate Governance Committee has a 2-year term of office. The Chairman of the Nominating and Corporate Governance Committee is an independent director. Its members include:



- |                          |                        |  |
|--------------------------|------------------------|--|
| 1. Mr. Aswin Kongsiri    | (Independent Director) | Chairman of Nominating and Corporate Governance Committee  |
| 2. Mr. Pipat Purnananda  | (Independent Director) | Member of of Nominating and Corporate Governance Committee |
| 3. M.R. Supadis Diskul   | (Executive Chairman)   | Member of Nominating and Corporate Governance Committee    |
| 4. Mr. Prakobkiat Ninnad | (President)            | Member of Nominating and Corporate Governance Committee    |
| Mrs. Parndao Sukhayanga  | (Corporate Secretary)  | Secretary of Nominating and Corporate Governance Committee |

The Nominating and Corporate Governance Committee regularly reports to the Board of Directors and performs its duties in accordance with the Charter of Nominating and Corporate Governance Committee, as approved by the Board of Directors, with details as follows:

“To regularly consider appropriateness of the number and composition of the Board of Directors and to propose such details to the Board of Directors and/or the Shareholders Meeting for approval; to consider and select persons who have diverse knowledge, capabilities and experience with qualifications and do not have any prohibited characteristics as stipulated in these criteria and other relevant laws or regulations, to fill the vacant positions of Directors and President. Once the selection is completed, the Nominating and Corporate Governance Committee shall propose a name list of selected persons to the Board of Directors Meeting; to specify terms and conditions of President employment agreement which will be further proposed to the Board of Directors Meeting.

In addition, the Nominating and Corporate Governance Committee has authority to hire professional consultants on an ad-hoc basis paid by BAFS as deemed necessary. BAFS shall report the information about the consultants as well as their independence or non-conflict of interest to the Board of Directors for acknowledgement and shall disclose such information in the Annual Report

The Nominating and Corporate Governance Committee has authority to invite executives or related persons to attend the meeting and provide opinions or submit any relevant or necessary documents as well as performs any other duties assigned by the Board of Directors.

The Nominating and Corporate Governance Committee shall perform its duties impartially and righteously without causing any conflict of interest. With regard to the corporate governance, the Nominating and Corporate Governance Committee shall define the Good Corporate Governance and Anti-Corruption Policy scope to be proposed to the Board of Directors. The Nominating and Corporate Governance Committee shall regularly consider, review and improve the Good Corporate Governance and Anti-Corruption Policy and the Anti-Corruption Policy at least once (1) a year as well as oversee compliance with the Good Corporate Governance and Anti-Corruption Policy and the Anti-Corruption Policy. Practical and appropriate recommendations shall be given regularly to BAFS’s directors and management to enhance their efficiency. The Nominating and Corporate Governance Committee shall also provide opinions regarding the good corporate governance to the Board of Directors to ensure that BAFS’s operations are in accordance with the principles of regulatory agencies, and oversee performance of Good Corporate Governance Working Group.”

#### Risk Management Committee

The Risk Management Committee consists of 5 directors. Each member of the Risk Management Committee has a 3-year term of office. The Chairman of the Risk Management Committee is an independent director. Its members include:

- |                         |                        |                                       |
|-------------------------|------------------------|---------------------------------------|
| 1. Mr. Aswin Kongsiri   | (Independent Director) | Chairman of Risk Management Committee |
| 2. Mr. Pipat Purnananda | (Independent Director) | Member of Risk Management Committee   |

3. M.R. Supadis Diskul	(Executive Chairman)	Member of Risk Management Committee
4. Mr. Prakobkiat Ninnad	(President)	Member of Risk Management Committee
5. M.L. Nathasit Diskul	(Vice President)	Member of Risk Management Committee
Mrs. Duangvilai Singkalawanich	(Assistant Director, Corporate Risk Strategic Management Office)	Secretary of Risk Management Committee

The Risk Management Committee regularly reports to the Board of Directors and performs its duties in accordance with the Risk Management Committee Charter as approved by the Board of Directors, with details as follows:

“To review the risk management policy once a year and to grant initial approval for its amendments before being proposed to the Board of Directors Meeting; to approve BAFS’s risk management framework and to follow up on the implementation of risk management policy; to review effectiveness of the risk management framework and to approve BAFS’s acceptable risks, risk appetite and risk indicators or to provide opinions regarding enterprise risk assessment in accordance with COSO ERM principles; to monitor the consistency of BAFS and subsidiaries’ enterprise risk management as well as fraud and corruption risk management that shall be in line with the Principles of Good Corporate Governance, Code of Conduct and Anti-Corruption Policy; to screen and review overall enterprise risks; to present BAFS’s overall enterprise risks, risk control methods and overall results of enterprise risk control to the Board of Directors; to regularly communicate with the Audit Committee in order to exchange knowledge and information regarding overall risks and internal control which cause or may cause impacts to BAFS; to foster a culture of risk management and internal control in an appropriate manner. The Risk Management Committee can hire external consultants.”

In addition, to monitor and ensure BAFS’s achievement of goals, the Risk Management Committee shall consider significant risk indicators in every meeting, for example, EBITDA, cash flow, operating expense control and market share, etc. In the event that the performance is likely to be below the target, the Risk Management Committee shall provide suggestions to the Management in order to further establish corrective measures.

### Executive Committee

To ensure that BAFS and subsidiaries’ business operations, recommendations, solutions to significant problems, performance monitoring and assessment have been conducted orderly and efficiently in the same direction and are in line with BAFS’s strategic plans as well as to screen significant matters screened before being proposed to the Board of Directors Meetings for maximum benefits of shareholders, the Board of Directors set up the Executive Committee which comprises executive representatives of BAFS and subsidiaries as follows:

1. M.R. Supadis Diskul	Executive Chairman
2. Mr. Prakobkiat Ninnad	President, Bangkok Aviation Fuel Services Public Company Limited
3. M.L. Nathasit Diskul <sup>1/</sup>	Vice President, Bangkok Aviation Fuel Services Public Company Limited Managing Director, BAFS Clean Energy Corporation Company Limited
4. Ms. Prapis Ruthairung	Finance & Accounting Director, Bangkok Aviation Fuel Services Public Company Limited
5. Mr. Pariwat Vattanasup	Managing Director, Thai Aviation Refuelling Company Limited
6. Mr. Charoen Charusalaipong	Managing Director, Fuel Pipeline Transportation Limited
7. Ms. Yuphadee Tongaroonsri	Managing Director, Intoplane Services Company Limited
8. Mr. Gritt Madisara <sup>2/</sup>	Managing Director, BAFS Innovation Development Company Limited
9. Mr. Aniruth Boonyatirana	Managing Director, BAFS INTECH Company Limited

Mr. Nattapol Narkuam<sup>3/</sup> Managing Director, BAFS Innovation Development Company Limited

Mrs. Parndao Sukhayanga (Corporate Secretary) Executive Committee Secretary

The Executive Committee shall perform its duties in accordance with its roles and responsibilities as approved by the Board of Directors, with details as follows:

“To impose a budget policy and to screen BAFS and subsidiaries’ budgets before being proposed to the Board of Directors of each company; supervise and follow up on progress and assess performance of BAFS and subsidiaries as assigned by the Board of Directors; to has authority to request for documents or summon related persons to clarify matters related to its duties and responsibilities; to appoint subcommittees and working groups as appropriate; to perform any other duties assigned by the Board of Directors; to appoint deputy director and division director level executives or equivalent nominated by the President; to appoint BAFS’s employees or suitable persons as representatives to be directors, executives and employees in the subsidiaries, associates or companies of which BAFS holds shares as well as dismiss those representatives from such positions; and to appoint employees of subsidiaries, associates or companies of which BAFS is holding shares as representatives of each company to be BAFS’s executives and employees as well as dismiss those representative from such positions.”

### Corporate Sustainability Committee

The Corporate Sustainability Committee consists of:

- |                                     |   |
|-------------------------------------|---|
| 1. M.R. Supadis Diskul              | Chairman  |
| 2. Mr. Prakobkiat Ninnad            | Director  |
| 3. M.L. Nathasit Diskul             | Director  |
| 4. Mr. Pariwat Vattanasup           | Director  |
| 5. Mr. Charoen Charusalaipong       | Director  |
| 6. Ms. Yuphadee Tongaroonsri        | Director  |
| 7. Mr. Gritt Madisara <sup>2/</sup> | Director  |
| 8. Mr. Aniruth Boonyatirana         | Director  |
| 9. Mr. Prayoot Attasillapakit       | Secretary of Corporate Sustainability Committee           |
| 10. Ms. Wudthiorn Poteareesakul     | Assistant Secretary of Corporate Sustainability Committee |
| Mr. Nattapol Narkuam <sup>3/</sup>  | Director  |

The Corporate Sustainability Committee shall perform its duties in accordance with the Corporate Sustainability Committee Charter as approved by the Board of Directors, with details as follows:

“To determine a BAFS Group’s sustainability policy framework and related management systems that are accepted by the community and society; to define the scope of sustainability reports; to oversee sustainability activities and ensure that they comply with the Principle of Good Corporate Governance and the regulations of SEC; to appoint BAFS Group’s sustainability working groups in support of the Corporate Sustainability Committee as deemed appropriate; and to follow up on their operations to ensure their convergences.”

<sup>1/</sup> Held the position of Managing Director of BAFS Clean Energy Corporation Company Limited, effective from March 6, 2020

<sup>2/</sup> Held the positions of Managing Director of BAFS Innovation Development Company Limited and member of Corporate Sustainability Committee, effective from March 1, 2020.

<sup>3/</sup> Vacated the positions of Managing Director of BAFS Innovation Development Company Limited and member of Corporate Sustainability Committee, effective from March 1, 2020.

## 7.4 Details of Executives

### 7.4.1 Names and Positions of Executives

As of December 31, 2020, BAFS had a total of 14 executives as follows:

Name of Executive	Position
1. Mr. Prakobkiat Ninnad	President
2. M.L. Nathasit Diskul	Vice President / Acting for Director - Business Development & Marketing
3. Mr. Charoen Charusalaipong	Consultant to Executive Chairman
4. Mr. Kanit Seetong	Director - Suvarnabhumi Aviation Refuelling
5. Mr. Suwatchai Patcharasaengthong	Director - Suvarnabhumi Airport Depot
6. Miss Prapis Ruthairung	Director - Finance & Accounting
7. Mrs. Jirapat Charoenbhintarak	Director - Human Resources & Administration
8. Miss Yuphadee Tongaroonsri	Director - Donmueang & Regional Airport
9. Mr. Nattapol Narkuam	Director - Technical
10. Mrs. Mayuree Nalinwong	Director - Internal Audit Office
11. Miss Saowapak Jungpattanaphong	Director - Quality Safety Health and Environment Office
12. Mr. Pariwat Vattanasup	Consultant to Executive Chairman
13. Mr. Gritt Madisara	Consultant to Executive Chairman
14. Mr. Aniruth Boonyatirana	Director - Attached to Executive Chairman Office

119

Remark: Details of executives relating to latest education, training programs organized by Thai Institute of Directors (IOD), and experience relating to BAFS's businesses are shown in Enclosure 1.

### Criminal Records of Executives

- None -

### 7.4.2 Director and Executive Remuneration Policy

The executive remuneration policy will be in accordance with the duties and responsibilities as prescribed by the Board of Directors, and relate to BAFS's operating results.

### 7.4.3 Total Remuneration of Directors and Executives

#### 1. Monetary Remuneration

Number of Executives	12 Executives
Types of Remuneration*	Salary, Reward (Bonus), Fringe Benefits
Total Remuneration of Executives	
2020	53,511,683.31 Baht
2019	63,216,909.42 Baht

- \* For total amount of post-employment benefits upon retirement, which is advantage for employees who have worked for BAFS before the setup of provident fund, it is depended on each employee's salary base and number of working years.

Nonetheless, the employees and executives, who have worked for BAFS before setting up of provident fund, are able to choose to be members of the provident fund or remain in retirement benefit program. In case of choosing to be member of the provident fund, BAFS guarantees that the amount of provident fund benefits shall not be lower than that of the retirement benefits.

#### 2. Other Remuneration

BAFS provides other remuneration for the executives as well as for all permanent employees. It includes the provident fund, in which after setting up, provided to the employees who participate as its member. The contribution rate shall be a percentage rate of employee's progressive salary in accordance with BAFS's regulations.

#### Provident Fund Contributions Paid to the Executives

Number of Executives	12 Executives
Amount of Provident Fund Contributions	
2020	4,839,149.50 Baht
2019	5,523,262.66 Baht

## 7.5 Employees

### 7.5.1 Total Number of Employees



As of December 31, 2020, BAFS had a total number of 501 employees, consisting of 484 regular employees and 17 temporary employee as follows:

Department	Number of Regular Employees (Persons)	Number of Temporary Employees (Persons)
Attached to Executive Chairman Office	14	0
Attached to President Office	36	0
Technical	60	4
Finance & Accounting	28	0
Suvarnabhumi Airport Depot	36	0
Human Resources & Administration	23	0
Suvarnabhumi Aviation Refuelling	145	11
Business Development & Marketing	15	0
Donmueang & Regional Airport	127	2
<b>Total = 501 Persons</b>	<b>484</b>	<b>17</b>

#### Significant Changes in the Number of Employees during the Past 3 Years

- None -

#### Major Labor Disputes over the Past 3 Years

- None -



### 7.5.2 Number of Employees in Major Functions



### 7.5.3 Types of Remuneration and Total Remuneration of Employees

BAFS has a policy to pay employee remuneration in the form of salary, reward (bonus), overtime pay, provident fund contributions, retirement benefits, and other fringe benefits such as medical expenses, emergency loans, interest subsidy on home loans, etc. BAFS established a Welfare pursuant to the regulations of Department of Labor Protection and Welfare, consisting of an employer and employees to consider employee welfare. Other employee remuneration includes the following:

1. Provident fund contributions: employees who have worked with BAFS after the establishment of provident fund can apply for membership. Each month, BAFS will pay contributions to the employees joining the provident fund project at the progressive rate of salary pursuant to BAFS's regulations.
2. Retirement benefits for all employees which have worked with BAFS before the establishment of provident fund, whereby the amount will depend on each employee's salary base and number of work years.

However, only the employees and executives, who have worked for BAFS before the establishment of provident fund, are able to choose to be members of the provident fund or remain in the retirement benefit program. In case of choosing to be a member of the provident fund, BAFS guarantees that the amount of provident fund benefits shall not be lower than that of the retirement benefits.

In 2020, BAFS paid total employee remuneration of approximately 474,691,739.42 Baht.

## 7.6 Other Significant Information

### 7.6.1 Assigned Persons Taking Responsibility in Chief Accounting, Corporate Secretary, Chief Audit Executive, and Chief Compliance Officer

BAFS assigned **Mrs. Boondarick Vattanasup to be Chief Accounting**. The Chief Accounting's qualifications are shown in Enclosure 1.

The Board of Directors has appointed **Mrs. Parndao Sukhyanga to be the Corporate Secretary** since February 27, 2013. The Corporate Secretary shall perform duties with accountability, carefulness, honesty in accordance with law and other relevant regulations. The Corporate Secretary is to provide legal advice, code of conduct that related to BAFS's Article of Association and regulations to the Board of Directors and executives. In the meantime, the Corporate Secretary is to liaison to ensure that BAFS's objectives and Article of Association, shareholders and the Board of Directors' resolutions including relevant laws and regulatory are complied to meet requirements of good corporate governance practices. Moreover, the Corporate Secretary is to coordinate and manage the meetings of the Board of Directors and BAFS's committees including shareholders meeting as well as handle the Board of Directors' activities. In addition, the Corporate Secretary is to organize and keep BAFS's documents such as directors registration, notice of meetings, the Board of Directors and shareholders' meeting minutes and BAFS's annual report, etc. **The Corporate Secretary's qualifications are shown in Enclosure 1.**

BAFS has established an Internal Audit Unit to enhance confidence and give advice fairly and independently to increase value and improve BAFS's operations. **Mrs. Mayuree Nalinwong, Director - Internal Audit Office, is Chief Audit Executive**. The Chief Audit Executive's qualifications are shown in Enclosure 3.

Moreover, BAFS assigned **Mrs. Parndao Sukhyanga to be Chief Compliance Officer** as a center for overseeing BAFS's business operations to be in accordance with the laws, rules, regulations, policies, and requirements of related regulatory agencies such as SEC and SET. The Good Corporate Governance and Anti-Corruption Policy and Code of Conduct stipulate that directors, executives, and employees comply with relevant laws, rules, and regulations. **The Chief Compliance Officer's qualifications are shown in Enclosure 3.**

## 7.6.2 Manager - Investor Relations and Contact Information

BAFS has established an Investor Relations Division with Miss Pitsapong Chantranont as Manager - Investor Relations, e-mail: pitsapong@bafs.co.th, Tel: 02 834 8914, as a representative to communicate with investors, shareholders, securities analysts, and other related agencies.

## 7.6.3 BAFS and Subsidiaries' Audit Fees and Other Service Fees

### 1. Audit Fees

For the past fiscal year, BAFS and subsidiaries' audit fees totaled 4,128,732 Baht (inclusive of other forecasted expenditures for auditing during the accounting period of December 31, 2020), with details as follows:

No.	Name of Payer	Name of Auditor	Audit fees plus other expenses (Baht)
1	Bangkok Aviation Fuel Services Public Company Limited	EY Office Company Limited	1,556,400
2	Thai Aviation Refuelling Company Limited	EY Office Company Limited	685,290
3	Intoplane Services Company Limited	EY Office Company Limited	142,179
4	Fuel Pipeline Transportation Company Limited	EY Office Company Limited	1,080,908
5	BAFS Innovation Development Company Limited	EY Office Company Limited	151,000
6	BAFS INTECH Company Limited	EY Office Company Limited	412,955
7	BAFS Clean Energy Corporation Company Limited	EY Office Company Limited	100,000
Total amount of audit fees			4,128,732

### 2. Non-Audit fees

For the past fiscal year, BAFS paid 65,000 Baht to EY Office Company Limited for the preparation of the summary report on fuel volume for aircraft refuelling service at Don Mueang International Airport.

## 8. Report on Corporate Governance Performance

### 8.1 Summary of Board of Directors Performance in the Previous Year

#### 8.1.1 Nomination, Development, and Performance Assessment of Board of Directors

For director appointment in 2020, since the Remuneration Committee was due to retire by rotation, the Board of Directors then established an ad hoc Remuneration Committee to be responsible for considering, selecting, and screening persons with appropriate qualifications pursuant to BAFS's regulations. The Committee, consisting of 1 independent director out of the 3 members, nominated persons with appropriate qualifications to ensure professionalism and diversity based on structure, size, and composition of the Board of Directors. Moreover, the Committee offered minority shareholders an opportunity to propose a qualified person; however, no minority shareholder propose any person. The number of proposed directors was equal to the number of directors retiring by rotation. The Committee provided opinions to the Board of Directors for approval and further submitted such nominated names to the shareholders' meeting.

For the nomination of independent director, BAFS defined the qualifications of independent director which were more stringent than those stipulated by SEC. **Details are shown in Item 6.1.2 Policy and Practices Concerning Shareholders and Stakeholders under Section 5: Responsibilities of Directors.**

In voting for the selection of directors retiring by rotation, BAFS required the shareholders to exercise votes by using ballots for individual directors. **Details are shown in Item 6.1.2 Policy and Practices Relating to Shareholders and Stakeholders under Section 1: Rights of Shareholders.**

The performance assessment results of Board of Directors and all subcommittees for the year 2020 were rated "Good to Excellent", with details as follows:



In addition, BAFS evaluated the effectiveness of each Board of Directors meeting after the end of the meeting. The evaluation results were reported in the next meeting. In 2020, the overall evaluation results were rated “Good to Excellent”.

### 8.1.2 Meeting Attendance and Remuneration of Individual Directors

#### 1) Meeting Attendance of Board of Directors and Subcommittees

Name	Position	Meeting Attendance in 2020 (Number of Meetings / Total Meetings)							
		Board of Directors Total 10 times	Non-Executive Committee Total 1 time	Audit Committee Total 7 times	Remuneration Committee Total 3 times	Nominating and Corporate Governance Committee Total 4 times	Risk Management Committee Total 6 times	Corporate Sustainability Committee Total 4 times	Shareholders' Meeting Total 1 time
1. Mr. Palakorn Suwanrath	Chairman / Independent Director	10/10	1/1	-	-	-	-	-	1/1
2. M.R. Supadis Diskul	Executive Chairman / Director / Member of Remuneration Committee / Member of Nominating and Corporate Governance Committee / Member of Risk Management Committee / Chairman of Corporate Sustainability Committee	10/10	-	-	3/3	4/4	6/6	4/4	1/1
3. Mr. Prakobkiat Ninnad	President / Director / Member of Remuneration Committee / Member of Nominating and Corporate Governance Committee / Member of Risk Management Committee / Member of Corporate Sustainability Committee	10/10	-	-	3/3	4/4	6/6	4/4	1/1
4. Mr.Chai Eamsiri <sup>1/</sup>	Director	4/4	1/1	-	-	-	-	-	0/0
5. Mr. Cherdphan Chotikhun <sup>2/</sup>	Director	6/7	1/1	-	-	-	-	-	1/1
6. Mr. Puttipong Prasarttong-Osoth	Director	10/10	1/1	-	-	-	-	-	1/1
7. Mr. Nitinai Sirismatthakarn	Director	7/10	1/1	-	-	-	-	-	1/1

Name	Position	Meeting Attendance in 2020 (Number of Meetings / Total Meetings)							
		Board of Directors Total 10 times	Non-Executive Committee Total 1 time	Audit Committee Total 7 times	Remuneration Committee Total 3 times	Nominating and Corporate Governance Committee Total 4 times	Risk Management Committee Total 6 times	Corporate Sustainability Committee Total 4 times	Shareholders' Meeting Total 1 time
8. Mr. Chumpol Surapittayanont <sup>3/</sup>	Director	5/5	1/1	-	-	-	-	-	1/1
9. Mr. Kongsiam Chinwanno	Director	9/10	1/1	-	-	-	-	-	1/1
10. Mr. Saksith Srilerfar <sup>4/</sup>	Director	7/7	1/1	-	-	-	-	-	1/1
11. Mr. Aswin Kongsiri	Independent Director / Chairman of Nominating and Corporate Governance Committee / Chairman of Risk Management Committee	10/10	1/1	-	-	4/4	6/6	-	1/1
12. Mr. Visut Montriwat	Independent Director / Member of Audit Committee / Chairman of Remuneration Committee	10/10	1/1	7/7	3/3	-	-	-	1/1
13. Mr. Pachara Yutidhammadamrong	Independent Director / Chairman of Audit Committee / Member of Remuneration Committee	10/10	1/1	7/7	3/3	-	-	-	1/1
14. Mr. Pipat Purnananda	Independent Director / Member of Audit Committee / Member of Risk Management Committee / Member of Nominating and Corporate Governance Committee	10/10	1/1	7/7	-	4/4	6/6	-	1/1
Squadron Leader Soradej Namruangsri <sup>5/</sup>	Ex-Director	5/6	-	-	-	-	-	-	1/1
Mr. Nattapong Samit-ampaipisarn <sup>6/</sup>	Ex-Director	5/5	-	-	-	-	-	-	1/1
Mr. Peratak Autadej <sup>7/</sup>	Ex-Director	5/5	-	-	-	-	-	-	1/1
Mr. Rungroj Sivachan <sup>8/</sup>	Ex-Director	1/2	-	-	-	-	-	-	0/0

Remarks: <sup>1/</sup> Being appointed as Director, effective from October 8, 2020 (replacing Mr. Nattapong Samit-ampaipisarn), thus attending only 4 meetings of Board of Directors and being appointed after the shareholders' meeting, thus not attending the shareholders' meeting.

<sup>2/</sup> Being appointed as Director, effective from May 13, 2020 (replacing Mr. Surachai Piencharoensak), thus attending 7 meetings of Board of Directors only.



- <sup>3/</sup> Being appointed as Director, effective from July 16, 2020 (replacing Mr. Peratak Autadej), thus joining 5 meetings of Board of Directors only.
- <sup>4/</sup> Being appointed as Director, effective from May 13, 2020 (replacing Mr. Rungroj Sivachan), thus joining 7 meetings of Board of Directors only.
- <sup>5/</sup> Resigned from directorship, effective from October 1, 2020, thus attending 6 meetings of Board of Directors only.
- <sup>6/</sup> Resigned from directorship, effective from July 20, 2020, thus joining 5 meetings of Board of Directors only.
- <sup>7/</sup> Completed directorship term, effective from July 16, 2020, thus attending 5 meetings of Board of Directors only.
- <sup>8/</sup> Resigned from directorship, effective from March 31, 2020, thus attending 2 meetings of Board of Directors only and resigned before the shareholders' meeting, thus not attending the shareholders' meeting.

## 2) Remuneration of Individual Directors

### Monetary Remuneration

- (1) The remuneration of the Board of Directors is approved by the shareholders' meeting as proposed by the Board of Directors and screened by the Remuneration Committee. Details are as follows:
  - Monthly remuneration: the Chairman is paid for 45,000 Baht/month; each of the Directors is paid 30,000 Baht/month.
  - Meeting allowance: the Chairman is paid for 30,000 Baht/attended meeting; each of the Directors is paid 20,000 Baht/attended meeting.
  - Board of Directors' remuneration (bonus): is paid in accordance with policy and conditions of Directors' remuneration which is considered and screened by the Remuneration Committee and the Board of Directors, in which is proposed to the shareholders' meeting on yearly basis.
- (2) The remuneration of the Audit Committee is approved by the shareholders' meeting, as proposed by the Board of Directors and screened by the Remuneration Committee. Details are as follows:
  - Monthly remuneration: the Chairman of the Audit Committee is paid for 37,500 Baht/month; each of the Audit Directors is paid for 30,000 Baht/month.
  - Meeting allowance: the Chairman of the Audit Committee is paid for 25,000 Baht/attended meeting; each of the Audit Directors is paid for 20,000 Baht/attended meeting.
- (3) The remuneration of the Risk Management Committee, the Remuneration Committee, and the Nomination and Corporate Governance Committee are approved by the shareholders' meeting, as proposed by the Board of Directors and screened by the Remuneration Committee. Details are as follows:
  - Meeting allowance: the Chairmen of the Committees are paid 12,500 Baht/attended meeting; each Director is paid 10,000 Baht/attended meeting.

### Remuneration of BAFS's Directors

Number of BAFS's Directors	14 Directors
Total Remuneration of BAFS's Directors, who act as BAFS's Directors, the Audit Directors and Directors of other Committees include Risk Management Directors, Remuneration Directors, and Nomination and Corporate Governance Directors	
2020	21,766,532.20 Baht
2019	24,122,193.55 Baht

The 2020 remuneration can be individually detailed as follows:

Name	Position	Remuneration of the Board of Directors	Remuneration of the Audit Committee	Remuneration of Directors of Other Committees	Bonus of Year 2019 Which Paid in Year 2020	Total	Remuneration of the Subsidiaries' Directors
1. Mr. Palakorn Suwanrath	Chairman	517,500	-	-	1,590,200	2,107,700	-
2. M.R. Supadis Diskul	Director	345,000	-	85,000	1,059,600	1,489,600	1,003,715.51
3. Mr. Prakobkiat Ninnad	Director	345,000	-	85,000	1,059,600	1,489,600	1,077,710.63
4. Mr. Chai Eamsiri	Director	81,612.90	-	-	-	81,612.90	-
5. Mr. Cherdphan Chotikhun	Director	174,193.55	-	-	-	174,193.55	-
6. Mr. Puttipong Prasarttong-Osoth	Director	345,000	-	-	1,059,600	1,404,600	295,980.51
7. Mr. Nitinai Sirismatthakarn	Director	295,000	-	-	1,059,600	1,354,600	-
8. Mr. Chumpol Surapittayanont	Director	132,258.06	-	-	-	132,258.06	-
9. Mr. Kongsiam Chinwanno*	Director	335,000	-	-	1,059,600	1,394,600	-
10. Mr. Saksith Srilertfar**	Director	243,225.75	-	-	-	243,225.75	-
11. Mr. Aswin Kongsiri	Director	345,000	-	81,250	1,059,600	1,485,850	-
12. Mr. Visut Montriwat	Director	345,000	325,000	25,000	1,059,600	1,754,600	996,186.61
13. Mr. Pachara Yutidhammadamrong	Director	345,000	406,250	20,000	1,059,600	1,830,850	954,186.61
14. Mr. Pipat Purnananda	Director	345,000	325,000	77,500	1,059,600	1,807,100	727,735
15. Mr. Nattapong Samit-ampaipisarn	Ex-Director	212,741.94	-	-	1,059,600	1,272,341.94	-
16. Squadron Leader Soradej Namruangsri	Ex-Director	220,000	-	-	426,800	646,800	-
17. Mr. Rungroj Sivachan**	Ex-Director	250,000	-	10,000	142,200	402,200	-

Name	Position	Remuneration of the Board of Directors	Remuneration of the Audit Committee	Remuneration of Directors of Other Committees	Bonus of Year 2019 Which Paid in Year 2020	Total	Remuneration of the Subsidiaries' Directors
18. Mr. Peratak Autadej**	Ex-Director	50,000	-	10,000	1,059,600	1,119,600	-
19. Squadron Leader Pongtorn Thepkanjana	Ex-Director	-	-	-	792,600	792,600	-
20. Mr. Surachai Piencharoensak	Ex-Director	-	-	-	792,600	792,600	-
<b>Total</b>		<b>4,926,532.20</b>	<b>1,056,250</b>	<b>393,750</b>	<b>15,400,000</b>	<b>21,766,532.20</b>	<b>5,055,514.87</b>

Remarks: \*BAFS paid remuneration to Esso (Thailand) Public Company Limited in which Mr. Kongsiam Chinwanno was a representative.

\*\* BAFS paid remuneration to the Shell Company of Thailand in which Mr. Saksith Srilertfar was a representative.

#### Other Remuneration

- None -

### 8.1.3 Supervision of Subsidiaries and Associates

#### 1) Supervision of Subsidiaries and Associates

BAFS has mechanisms of supervising subsidiaries and associates. BAFS assigns its representatives to be their directors, executives and employees. They take part in supervising interests and coordinating with the subsidiaries and associates to ensure that BAFS can oversee and monitor their operations efficiently and in line with the good internal control system. BAFS has set criteria and direction for its subsidiaries and associates' operations as follows:

1. BAFS' representatives are directors or employees who are knowledgeable, capable and experienced and must not undertake or be directors in the companies with similar businesses or in competition, which may cause conflict of interest with the subsidiaries or associates.
2. The Board of Directors is entitled to appoint and dismiss BAFS's representative directors.
3. The Executive Committee is entitled to appoint BAFS' employees or appropriate persons, who are employees of subsidiaries, associates or companies of which BAFS is holding shares, to be directors, executives and employees of the subsidiaries, associates or companies of which BAFS is holding shares as well as dismiss such persons from the positions. In this regard, the Executive Committee shall report to the Board of Directors for acknowledgement.
4. The Executive Committee is entitled to appoint representatives, who are employees of the subsidiaries, associates and companies of which BAFS is holding shares, to be BAFS's executives and employees as well as dismiss such representatives from the positions. In this regard, the Executive Committee shall report to the Board of Directors for acknowledgement.

5. Regarding the scope, authority, duties and responsibilities of BAFS's representative directors and executives, the representative directors are responsible for considering and approving important matters such as policies and business targets as well as supervising the Management to proceed according to the policies and predetermined plans. Meanwhile, BAFS's representative executives take part in developing strategies and action plans to achieve predetermined goals as well as monitoring and overseeing the subsidiaries and associates' operations through the Board of Directors Meetings or meetings with the Management of subsidiaries and associates.
6. To operate and oversee operational directions of the subsidiaries and associates, including obligations between subsidiaries, associates, the companies of which BAFS are holding shares and third parties as stipulated by the Board of Directors, with reliable financial reports and audits as well as appropriate risk management and internal control system in order to eliminate conflicts of interest.
7. The reports on operating results of subsidiaries and associates are prepared and submitted to the Board of Directors or the President within a specified period.

## **2) Agreements between BAFS and Other Shareholders regarding the Management of Subsidiaries**

-None-

In 2020, BAFS assigned its executives to be directors and executives of subsidiaries and associates as in accordance with the criteria for the supervision of subsidiaries and associates.

### **8.1.4 Monitoring of Compliance with Corporate Governance Policy and Practices**

BAFS places importance on good corporate governance by defining a policy and related practices in the Good Corporate Governance and Anti-Corruption Policy and Code of Conduct as well as promoting actual implementation to enhance confidence of all stakeholder groups.

The Board of Directors has assigned the Nominating and Corporate Governance Committee to oversee and give advice to BAFS's directors and management on their performance of duties and responsibilities according to the Good Corporate Governance and Anti-Corruption Policy to ensure practicality and continuity appropriately and in response to the expectations of shareholders and stakeholders. Moreover, the Nominating and Corporate Governance Committee is responsible for overseeing performance of the Corporate Governance Working Group which is partly in charge of monitoring compliance with Code of Conduct, establishing an evaluation system of compliance with Code of Conduct as well as regularly improving Code of Conduct and such evaluation system to ensure appropriateness continuously on a yearly basis.

In 2020, BAFS followed up all matters relating to good corporate governance practices as prescribed in the Good Corporate Governance and Anti-Corruption Policy and Code of Conduct. The follow-up results showed that BAFS completely proceeded according to the approaches to each matter.

BAFS also followed up good corporate governance practices in 4 matters as follows:

**1) Prevention of Conflict of Interest**

BAFS imposed a policy on conflict of interest in its Code of Conduct as well as established penalties in case of employees' violations. Details are shown in Item 6.1.2 Policy and Practices Concerning Shareholders and Stakeholders, Section 2 Equitable Treatment of Shareholders, Item 3 Measures for the Prevention of Use of Insider Information and Conflict of Interest.

**2) Use of Insider Information**

BAFS imposed a policy on the prevention of the use of insider information to prevent wrongful use of insider information of its directors and executives for their own or others' advantages over other shareholders by prescribing that directors, executives, and employees shall not buy or sell its securities at least 30 days before the announcement of quarterly financial statements and 1 day after the announcement of such information. Details are shown in Item 6.1.2 Policy and Practice Relating to Shareholders and Stakeholders under Section 2 Equitable Treatment of Shareholders and Item 3 Measures for the Prevention of the Use of Insider Information and Conflict of Interest.

**3) Anti-Corruption**

The Board of Directors reviewed the appropriateness of policy on a yearly basis. BAFS also became a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). More details on BAFS's policy and operations according to the policy are shown in Item 6.1.2 Policy and Practices Concerning Shareholders and Stakeholders and at [www.bafsthai.co.th](http://www.bafsthai.co.th) under the heading of "Good Corporate Governance"

**4) Whistleblowing**

BAFS provides whistleblowing or complaint channels in case of doubts of violations of Code of Conduct, wrongdoings, corrupt behaviors, and inequitable treatment through various channels for third parties and its employees. BAFS establishes complaint handling procedures to protect and maintain confidentiality of complainants

In 2020, there was neither whistleblowing nor complaint relating to corruption or violation of corporate governance policy and practices.

## 8.2 Report on Performance of Audit Committee in the Previous Year

### 8.2.1 Number of Meetings and Meeting Attendance of Individual Members of Audit Committee

Details are shown in Item 8.1.2 Meeting Attendance and Remuneration of Individual Directors

### 8.2.2 Performance of Audit Committee

The Audit Committee has performed its duties within the scope of duties and responsibilities as delegated by the Board of Directors and in accordance with the regulations of SET and the Audit Committee Charter as approved by the Board of Directors. The Audit Committee was of the opinion that BAFS had accuracy and completeness financial reporting and operations, appropriate and effective internal control, internal audit, and risk management systems, compliance with laws, regulations, and obligations, correct practices on connected transactions, good corporate governance, review of the Audit Committee Charter, performance assessment and regular report on activities of the Audit Committee, and independent processes of selection and appointment of auditor and proposal of audit fees.

## 8.3 Summary of Performance of Subcommittees

### 8.3.1 Number of Meetings and Meeting Attendance of Individual Members of Subcommittees

Details are shown in item 8.1.2 Meeting Attendance and Remuneration of Individual Directors.

### 8.3.2 Performance of Subcommittees

#### 1) Performance of Remuneration Committee

The Remuneration Committee has completely performed its duties as assigned by the Board of Directors and as prescribed in the Remuneration Committee Charter, which was approved by the Board of Directors, with caution, prudence, and independence according to the principles of good corporate governance. In 2020, the Remuneration Committee held 3 meetings to consider remuneration of Board of Directors and subcommittees, dividend payments to shareholders, key performance indicators and remuneration of senior executives, performance assessment, and report on annual activities. The Remuneration Committee submitted its opinions on approaches deemed as beneficial to BAFS and shareholders to the Board of Directors and shareholders' meeting to increase efficiency in the performance of duties of the Board of Directors and in accordance with the principles of good corporate governance.

#### 2) Performance of Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee performed its duties within the scope of duties and responsibilities assigned by the Board of Directors and the Nominating and Corporate Governance Committee Charter as approved by the Board of Directors by considering the nomination of directors in replacement of those who resigned before the expiration of term. For the nomination of directors whose terms expired, the Board of Directors established an ad hoc Nomination Committee to consider such matter since the terms of the members of the Nominating and Corporate Governance Committee expired. The Nominating and Corporate Governance Committee also oversaw and monitored BAFS's operations as in accordance with the membership of Thailand's Private Sector



Collective Action Coalition Against Corruption, provided recommendations on BAFS's operations according to the criteria for corporate governance of Thai listed companies, reviewed the Board Charter, the Nominating and Corporate Governance Committee Charter, the Good Corporate Governance and Anti-Corruption Policy, the Anti-Corruption Policy and Code of Conduct as in accordance with the CG CODE, criteria, rules, and regulations of SET, the Capital Market Supervisory Board, and Thai Institute of Directors, approved action plans for promotion of the principles of good corporate governance, provided recommendations concerning the tests on Code of Conduct and anti-corruption measures for executives and employees as well as supervised the performance of the Corporate Governance Working Group as in line with its specified action plans as stipulated.

### **3) Performance of Risk Management Committee**

The Risk Management Committee performed its duties and responsibilities as assigned by the Board of Directors through the Risk Management Policy which was consistent with the regulations of SET and the Risk Management Committee Charter as approved by the Board of Directors. The Risk Management Committee continuously oversaw enterprise risk management and high-value project risk management of subsidiaries to ensure that all risks were mitigated within risk tolerance. The Risk Management Committee also regularly reported to the Audit Committee and the Board of Directors to endorse that BAFS's risk management process was part of the key driver of good corporate governance. Moreover, the Risk Management Committee annually reviewed the Risk Management Policy and Charter to ensure that they were updated and in compliance with the regulations of SET.

### **4) Performance of Corporate Sustainability Committee**

The Corporate Sustainability Committee performed its duties within the scope of duties and responsibilities as assigned by the Board of Directors as in accordance with SET regulations and Corporate Sustainability Committee Charter as approved by the Board of Directors. The Corporate Sustainability Committee was of the opinion that BAFS GROUP's sustainability operations were consistent and carried out in the same direction. To strengthen growth potential underlying the robust business in a continuous and sustainable manner, BAFS GROUP then implemented management approaches, good corporate governance based on the corporate governance principles, efficient risk management along the value chain in parallel with knowledge management towards the creation of innovation, coupled with the delivery of balanced value to the stakeholders in economic, social, and environmental dimensions along the value chain.

## Report of the Remuneration Committee for the Year 2020

### Dear Shareholders of Bangkok Aviation Fuel Services Public Company Limited

The Remuneration Committee consists of 4 directors and 2 of them are independent directors, namely Mr. Visut Montriwat as Chairman of the Remuneration Committee and Mr. Pachara Yutidhammadamrong as Member of the Remuneration Committee. Other Committee Members by position include M.R. Supadis Diskul, Executive Chairman, and Mr. Prakobkiat Ninnad, President, Ms. Prapis Ruthairung, Finance & Accounting Director, is acting as a Secretary of the Remuneration Committee.

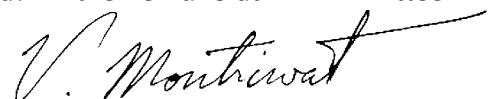
The Remuneration Committee has performed its duties as prescribed in the Remuneration Committee Charter, which was approved by the Board of Directors. To enhance the efficiency of the Board of Directors and conform to the principles of good corporate governance, the Remuneration Committee has also provided opinions that are deemed beneficial to the Company and shareholders in order to enhance the performance of the Board of Directors' duties and comply with good corporate governance principles. In 2020, the Company arranged 3 meetings attended by all Committee Members, accounting for 100% attendance. The meeting results were reported to the Board of Director Meetings after every meeting. The key points of the meetings can be summarized as follows:

1. **Consideration of the remuneration for the Board of Directors and Subcommittees** by taking in to account the suitability of their duties, responsibilities, and performance, the linkage between the Company's operating results and economic situation, as well as the benchmarking against the remuneration of other listed companies in similar size and industry.
2. **Consideration and determination of Key Performance Indicators (KPIs) and remuneration of senior executives** by considering their performance against the goals and Key Performance Indicators (KPIs) as specified as well as the guidelines for appropriate and sufficient remuneration and benefits to retain and persuade the employees to perform their duties and achieve both short-term and long-term goals according to the policy and principles approved by the Board of Directors.
3. **Consideration of dividend payment** by considering interim and annual dividend payments and presenting them to the Board of Directors or the Shareholders' Meeting for approval, as the case may be, as well as providing opinions derived from the performance of duties in accordance with the stipulated policy and criteria.
4. **Implementation of performance assessment of the Remuneration Committee in 2020** to ensure compliance with the principles of good corporate governance, by regularly conducting annual performance assessment. The 2020 assessment results indicated that the Remuneration Committee completely performed its duties as delegated by the Board of Directors and stipulated in the Remuneration Committee Charter in an effective and continuous manner. The assessment topics included composition and qualifications, roles and responsibilities, meetings, functions of the committee, self-development and performance assessment, etc.

The Remuneration Committee has performed its duties as delegated by the Board of Directors in a complete, discreet, prudent and independent manner to ensure compliance with the principles of good corporate governance and relevant rules and laws in order to support business growth according to the predetermined directions for the maximum benefits of the Company and all stakeholders.

February 10, 2021

On behalf of the Remuneration Committee



(Mr. Visut Montriwat)

Chairman of the Remuneration Committee

## Report of the Nominating and Corporate Governance Committee for the Year 2020

### Dear Shareholders of Bangkok Aviation Fuel Services Public Company Limited

The Nominating and Corporate Governance Committee consists of 4 directors, namely Mr. Aswin Kongsiri, Chairman of the Nominating and Corporate Governance Committee, and M.R. Supadis Diskul, Mr. Prakobkiat Ninnad, and Mr. Pipat Purnananda, members of the Nominating and Corporate Governance Committee.

In 2020, the Nominating and Corporate Governance Committee held 4 meetings in total. All committee members attended the meetings, equivalent to 100 percent, to perform their duties as stipulated in the Nominating and Corporate Governance Committee Charter. The essence of the meetings can be summarized as follows:

1. Considered the nomination of directors in replacement of those who resigned before the expiration of their terms by taking into account the candidates' qualifications as defined by the Company, in terms of their knowledge, capabilities, experience, vision, morality and ethics, as well as the Director Pool.

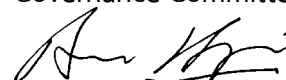
For the nomination of directors in replacement of those who retired by rotation, the Board of Directors appointed an ad hoc Nominating Committee to consider such matter instead due to the member of that Committee retired by rotation. That Committee considered the Company's board diversity and set up a board skill matrix to specify qualifications of required directors based on necessary skills that the Board of Directors was still lacking, to fit with the Company's operational strategy. Such Committee, like the current Nominating and Corporate Governance Committee, has duties to consider

2. Oversaw and monitored the Company's business operations to be in accordance with the membership of the Private Sector Collective Action Coalition against Corruption.
3. Considered and gave advice on the Company's business operations pursuant to the criteria of the Corporate Governance Report of Thai Listed Companies developed by the Thai Institute of Directors.
4. Considered and reviewed the Board of Directors Charter, the Nominating and Corporate Governance Committee Charter, the Corporate Governance and Anti-corruption Policy, the Anti-corruption Policy and the Code of Conduct to ensure their consistencies with the Corporate Governance Code (CG Code) 2017 issued by the Securities and Exchange Commission as well as the criteria, rules and regulations of the Stock Exchange of Thailand, the Capital Market Supervisory Board, and the Thai Institute of Directors.
5. Considered and approved an action plan to promote the principles of good corporate governance, which included trainings and the Company's activities organized for directors, executives and employees, to ensure that their performance complied with the Corporate Governance and Anti-corruption Policy, the Anti-corruption Policy and the Code of Conduct. The activities comprised the CG Day activity to provide the Company's employees with knowledge on the Code of Conduct and the anti-corruption measures, the seminars for suppliers and vendors/distributors, and the online tests regarding the Code of Conduct and the anti-corruption measures for the executives and employees.
6. Considered and gave advice on the online tests regarding the Code of Conduct and the anti-corruption measures for the executives and employees.
7. Oversaw the performance of the Corporate Governance Working Group to be in line with its action plan.

The Nominating and Corporate Governance Committee has carried out its duties by adhering to the principles of good corporate governance to ensure transparency and fairness in the Company's business operations for the benefits of all stakeholders.

February 16, 2021

On behalf of the Nominating and Corporate  
Governance Committee



(Mr. Aswin Kongsiri)

Chairman of the Nominating and Corporate  
Governance Committee

## Report of the Risk Management Committee for the Year 2020

### Dear Shareholders,


The Risk Management Committee consists of 5 directors, whereas 2 of them are independent directors including Mr. Aswin Kongsiri, the Chairman of the Committee, and Mr. Pipat Purnananda, the Committee member. The Committee members by position include M.R. Supadis Diskul (Executive Chairman), Mr. Prakobkiat Ninnad (President), and M.L. Nathasit Diskul (Vice President and Acting Director, Business Development & Marketing Department) as an executive director. Mrs. Duangvilai Singkarawanich (Assistant Director, Corporate Risk & Strategic Management Office) is the Secretary of the Committee.

The Risk Management Committee has executed all duties as mentioned in the Risk Management Policy and the Risk Management Committee Charter covering risk management guidelines of the Committee of Sponsoring Organizations of the Tradeway Commission - Enterprise Risk Management (COSO:ERM) in accordance with the guidelines of the Stock Exchange of Thailand. In 2020, the Risk Management Committee held 6 meetings in total, comprising 4 quarterly meetings and 2 special meetings. All committee members attended 100 percent (\*) of scheduled meetings. The reports of every meeting were submitted to the Board of Directors, which can be summarized as follows:

1. **Supervised the risk management continuously** by carefully reviewing and considering risk appetite, risk tolerance, key risk indicators (KRIs) as well as issues and risk management plans at the beginning of every year. Especially in 2020, the Committee considered expense control measures to reduce financial impacts and other measures to handle the COVID-19 outbreak while adjusting KRIs and KPIs as in alignment with such situation. The Committee also reported the progress of risk management plans and status of KRIs on a quarterly basis to ensure that BAFS can still manage risks within the tolerance level.
2. **Scrutinized and commented on the significant risk management plans** by focusing on worthiness and efficiency of risk management plans which could mitigate risks effectively.
3. **Oversaw financial risk management** to ensure BAFS's cash flow adequacy for operating expenses and loan payment obligations by determining trigger points and reporting pro forma cash flow on a quarterly basis.
4. **Oversaw enterprise risk management of BAFS's subsidiaries** by examining risk management in high-value projects that were in progress in quarterly meetings as well as providing additional comments on risk management to ensure that the projects were implemented within BAFS's tolerance level.
5. **Reviewed the Risk Management Policy and the Risk Management Committee Charter** to ensure alignment with the good corporate governance principles of the Stock Exchange of Thailand, which were presented to the Board of Directors on a yearly basis.
6. **Considered the self-assessment of the Risk Management Committee's performance (collective)**, of which the results in 2020 showed that the Committee fully performed its duties as specified in the Risk Management Policy and the Risk Management Committee Charter.
7. **Prepared the risk management performance report** and submitted it to the Audit Committee for review and the Board of Directors for acknowledgement after every Committee meeting.

January 20, 2021

On behalf of the Risk Management Committee

  
(Mr. Aswin Kongsiri)

Chairman of the Risk Management Committee

(\*) If any director had a personal interest in a particular matter, such director asked for absence from the meeting during the consideration of such matter.

## Report of the Corporate Sustainability Committee for the Year 2020

### Dear Shareholders of Bangkok Aviation Fuel Services Public Company Limited

The Corporate Sustainability Committee, within the scope of responsibilities as specified in the Corporate Sustainability Committee Charter, is responsible for overseeing corporate sustainability management by placing emphasis on delivering balanced value to all stakeholders to create sustainable activities as well as ensuring that the operations of BAFS Group are aligned in the same direction.

For its sustainable operations, BAFS is committed to upholding good corporate governance, ensuring efficient risk management along the supply chain as well as practicing corporate social responsibility along the value chain, including social and environmental dimensions, and creating innovation in order to enhance business growth potential. Also, BAFS has in place a 5-year Sustainability Master Plan (2016 - 2020) implemented by responsible persons at the Board of Directors, executive, and working group levels to drive better execution of short-term, medium-term, and long-term business strategies.

Moreover, BAFS has implemented the growth strategy by expanding new businesses that can respond to the digital transformation and disruption trends both today and the future, thereby uplifting the economic, social, and environmental quality both directly and indirectly.

BAFS's sustainability strategy stems from its intention to become a pillar of Thailand's energy security. BAFS is determined to become a role-model leader in energy services while operating business within the sustainability framework, which will create benefits for the country as well as serve as the role model for other organizations' learning and adoption to achieve sustainability in a wide area.

In 2020, the Corporate Sustainability Committee held 4 meetings in total. All subject matters can be summarized as follows:

1. Executed tasks according to a sustainability policy framework set as BAFS Group's guideline for corporate sustainability management with emphasis on delivering balanced value, covering all economic, social and environmental dimensions, to stakeholders along the supply chain and ensuring operational excellence and good service quality with the highest safety standards and in accordance with the international standards
2. Oversaw an operational-level working group on sustainability consisting of representatives from each sustainability related agency and chaired by Managing Director of BAFS as well as supervised the working group on global warming mitigation and the working group on greenhouse gas reduction of BAFS Group.

3. Followed up the implementation of Sustainability Master Plan consisting of 8 plans derived from the sustainability materiality issues, covering
  - The economic dimension includes a supply chain management plan and a business innovation plan.
  - The social dimension includes a stakeholder engagement plan, a procurement process for sustainability plan, an employee satisfaction and engagement assessment plan and a community engagement plan.
  - The environmental dimension includes a greenhouse gas reduction and climate change mitigation plan, and an efficient and sustainable resource allocation plan.

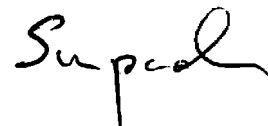
In this regard, the Corporate Sustainability Committee regularly reported its performance to the Board of Directors.

4. Considered and followed up the environmental impact mitigation and reduction of greenhouse gas emissions by undertaking projects to reduce environmental problems, including the application of electric cars and motorcycles to conduct a study on the volume of greenhouse gas emissions compared with the gasoline cars, the solar cell installation project to reduce energy consumption, the corporate carbon footprint, the participation in Thailand Voluntary Emission Reduction or T-VER project, the carbon reduction from the Northern fuel pipeline system expansion project. BAFS was certified as CARBON NEUTRAL COMPANY in 2020.
5. Oversaw the preparation of the sustainability report based on the GRI standards to ensure comprehensive and transparent disclosure of information to the public.

The Corporate Sustainability Committee was fully committed to corporate sustainability management and delivered balanced value, covering all economic, social and environmental dimensions, to the stakeholders along the supply chain.

January 28, 2021

On behalf of the Corporate Sustainability Committee



(M.R. Supadis Diskul)

Chairman of the Corporate Sustainability Committee



## 9. Internal Control and Connected Transactions



140

### 9.1 Internal Control

#### Summary of Opinions Concerning Internal Control System for the Year 2020

The Board of Directors assigned the Audit Committee consisting of independent directors to review adequacy and appropriateness of internal control system in order to ensure BAFS's operational efficiency and effectiveness as well as appropriate property maintenance.

The Audit Committee attended the Board of Directors Meeting on February 25, 2021, where the Board of Directors agreed with the Audit Committee's opinions as presented in the assessment form of the office of Securities and Exchange Commission (SEC) and the Summary of Opinions Concerning Internal Control System for the year 2020. The Audit Committee concluded that BAFS established an adequate and appropriate internal control system and assigned sufficient personnel to implement the internal control system efficiently. BAFS also monitored and oversaw its subsidiaries' operations regarding their ability to protect the Company and its subsidiaries' properties from being used wrongfully or without authority by their directors or executives. In addition, no significant errors were found in the internal control system. The details can be summarized as follows:

#### 1. Control Environment

BAFS established a good control environment as follows:

- BAFS defined and revised its organizational structure that supports good internal control system and operational efficiency. Reporting lines were clearly defined with segregation of duties to create checks and balances. Job descriptions, which determined personnel's duties, responsibilities, knowledge, capabilities and experiences, were developed to best fit each position and adjusted to ensure appropriateness as well as consistency with the organizational structure and positions. Duties and responsibilities between the Board of Directors, subcommittees and management were appropriately



defined. The Remuneration Committee Charter and Subcommittees Charters were regularly improved. In addition, the Internal Audit Unit was set up to report its internal audits to the Audit Committee and its management audits to the Managing Director.

- BAFS imposed and communicated its major policies and practice guidelines that were consistent with the principles of good corporate governance and were regularly revised to ensure their appropriateness, for instance, the Good Corporate Governance and Anti-Corruption Policy, the Anti-Corruption Policy, the Code of Conduct Handbook, and the Handbook on Anti-Corruption Measures, which stipulate the principles of good corporate governance, anti-corruption measures, conflict of interest, internal control, whistleblowing, and protection measures and disciplinary actions. All directors, executives and employees were required to sign to acknowledge and comply with the Anti-Corruption Policy, the Good Corporate Governance and Anti-Corruption Policy, and the Code of Conduct Handbook as well as to confirm their avoidance of conflict of interest. Moreover, BAFS continuously arranged training programs on the Code of Conduct, the Business Partner Code of Conduct and the measures on anti-corruption and sustainability for its executives and employees, which were also included in the orientation programs for new directors and employees. BAFS organized a training program entitled Sharing the Collective Action Coalition Against Corruption (CAC) Package for the employees of subsidiaries to enhance their knowledge and understanding and communication of the principles of good corporate governance for third parties. Also, BAFS continuously organized a seminar on Business Partner Code of Conduct and Sustainability Framework for its Business Partner, and a seminar entitled CG In practice between BAFS and Business Partner. BAFS renewed its membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and annually attended the Anti-Corruption Day to demonstrate BAFS Group's intention to countering corruption. Moreover, BAFS received "Excellent" Corporate Governance Award 2020 from the Thai Institute of Directors (IOD), and the National Outstanding Organization Award for Safety, Occupational Health and Environment in 2020 from the Ministry of Labour. BAFS was also included in "a list of sustainable stocks 2020" by the Stock Exchange of Thailand, while its score result on Annual General Meeting Checklist 2020 given by Thai Investors Association was 100. BAFS and subsidiaries were certified as Carbon Neutral Company from Thailand Greenhouse Gas Management Organization (Public Organization).
- BAFS's Corporate Governance Working Group, Core Value Working Group and Internal Audit Unit improved a Code of Conduct testing form more appropriately as well as monitored Code of Conduct and core value compliances annually. For example, all executives and employees shall assess their compliances with the policies and criteria relating to the principles of good corporate governance and core values through online system; the core value campaign shall be continually arranged; Code of Conduct and anti-corruption measures compliances shall be audited; the results of the training on good corporate governance shall be monitored to ensure the achievement of specified objectives; the Code of Conduct compliance assessment shall be conducted by external independent experts; and the management process shall be executed in a timely manner in case of non-compliance with the Code of Conduct and anti-corruption measures.

- BAFS's Board of Directors comprised directors with diversified qualifications and valuable knowledge and experience. BAFS defined the qualifications of its independent directors to be more stringent than those required by the SEC and was able to seek advice from external consultants.
- BAFS improved its strategic plan 2020, as a tool for determining its operational direction with explicit and measurable corporate goals, to be in accordance with the changing situation. BAFS' strategic objectives were consistent with the goals specified in the strategic plan according to the Balanced Scorecard Approach, while BAFS's achievements were measured by Key Performance Indicators (KPIs), which were regularly reviewed to ensure their appropriateness. In addition, BAFS implemented a budget system to reflect and control its performance for higher efficiency. BAFS conducted employee performance assessments by applying KPIs that were consistent with the goals specified in the strategic plan and the Code of Conduct, and were communicated to the executives and employees for acknowledgement.
- Since BAFS had prioritized its personnel as the most important resource, BAFS therefore developed a succession plan and organized training programs to enhance knowledge, skills and capabilities that were appropriate for the employees and their assigned tasks. For example, BAFS set up a Knowledge Management and Training Center Committee, while each unit prepared its own work system's bodies of knowledge according to BAFS's Knowledge Management (KM) Master Plan, to increase work efficiency and prevent loss of wisdom. BAFS had in place a career advancement system while developing an individual development plan, a training roadmap, an annual training plan, a job rotation and transfer plan. BAFS also encouraged its executives, who had been assigned to be directors of subsidiaries, to attend necessary training programs arranged by the Thai Institute of Directors (IOD) to enhance their knowledge efficiencies. Moreover, BAFS Training Center was certified by the Department of Energy Business to be an into-plane service business learning center for both internal and external personnel who was involved in the aviation fuel operations and became a lecturer for training programs on the operators of fuel service stations, as well as fire evacuation drill and basic fire fighting programs certified by the Department of Labour Protection and Welfare. BAFS arranged the training programs entitled Aviation Refueling and Quality Control for Pilot, Aviation Fuel Quality Control Training, and Train the Trainer for third parties. Furthermore, there were groups of representatives from domestic and foreign organizations who visited and observed BAFS's businesses.

## 2. Risk Assessment

BAFS placed importance on risk management policy and system compliance as follows:

- BAFS set up the Risk Management Committee and imposed the Risk Management Policy and the IT Risk Management Policy which were regularly revised and approved by the Board of Directors. BAFS developed strategic planning and risk management manuals for corporate level and processes. BAFS also applied management systems such as Quality Management System, Occupational Health and Safety Management System, and Business Continuity Management System, whereas objectives and risk assessment were determined in accordance with BAFS's vision and objectives. BAFS established a Safety Management System (SMS) policy and objectives to manage safety of into-plane services as well as communicated them to all employees for acknowledgement and compliance. BAFS appointed a risk champion of each department to monitor and ensure compliances with the Risk Management Policy and measures as stipulated. Its executives and employees were required to sign for acknowledgement of and compliance with the Risk Management Policy for the same practice directions.

- BAFS arranged workshops for its executives and employees to define corporate objectives at corporate level, which were consistent with its vision and mission. BAFS improved risk assessment criteria at corporate level to ensure appropriateness. To achieve predetermined objectives, corporate and process risks, risks from management systems that may impact BAFS's business operations and corruption risks were identified by considering internal and external factors. With this regard, risk control measures and action plans were established to ensure that risks were at the acceptable level by firstly dealing with high-level risks. In addition, BAFS defined and regularly reviewed its risk appetite, risk tolerance, key risk indicators (KRIs) and trigger points, which were deemed as early warning systems for solving problems in a timely manner while improving the risk appetite framework as in alignment with BAFS's mission, vision, core values, strategies and objectives. The Risk Management Committee and the Audit Committee also monitored risk management system compliance on a quarterly basis in accordance with the procedures determined in the Risk Management Policy and strategic planning and risk management manuals.
- BAFS assessed changes of external factors, business models, and organizational leaders which might affect business operations and implemented adequate measures in response to such changes such as the establishment of BAFS Clean Energy Corporation Company Limited and SDLT Company Limited. BAFS also set up a Working Group on Accounting and Financial System Development, developed a 5-year financial plan of BAFS Group to ensure alignment with the strategic plan for sustainable growth, and monitored the factors affecting BAFS's operations in terms of revenue fluctuations. BAFS implemented cost control measures due to the impacts of the COVID-19 outbreak situation by allowing its employees to work from home and make flexible work arrangements. The Working Group on Development of Information System of Laws Relating to BAFS's Operations was established to ensure efficiency in its business continuity management. Moreover, BAFS conducted full-scale exercises on its business continuity plan and emergency plan based on the COVID-19 pandemic scenario.

### 3. Control Activities

BAFS conducted good control activities as follows:

- BAFS established a variety of risk control measures, both manual and automated, which were appropriate for its risks and specific attributes such as environment, nature of work and scope of operation.
- BAFS developed manuals and guidelines for its major operations. The duties and responsibilities were clearly defined while approval authorities, accounting and information technology records and property management were completely segregated. Concise measures for transactions were established whereby connected transactions were approved by non-stakeholders for BAFS's maximum benefits, for instance, guidance for director and management reporting, approval authority, work rules and regulations were regularly reviewed. The precautionary instructions for Coronavirus Disease 2019 (COVID-19) were also in place to ensure employee compliance in the same direction, while the manual on organizational context, the manual on stakeholder engagement, and the regulations on connected transactions and transactions on acquisition or disposition of assets were adjusted appropriately.
- Meetings of the management, departments and others were regularly held to monitor management and control operations.

- The reporting, verification and approval processes of transactions or binding contracts as well as monitoring and reviewing measures were defined to ensure that BAFS's operations were carried out in accordance with the terms and conditions agreed, for instance, compliances with regulations and procedures regarding connected transactions and transactions on acquisition and disposition of assets, etc.
- IT system application and general control measures in the areas of infrastructure, safety, acquisition, development and maintenance were appropriately established. BAFS also imposed regulations on corporate computer network usage, the IT System Safety and Security Policy, the IT Risk Management Policy, and the IT Resource Allocation and Management Policy, while IT management systems such as content management system (CMS) and risk management system (RMS) were developed to increase efficiency. Moreover, BAFS reviewed an installation of programs that did not comply with BAFS's regulations and hired independent external experts to conduct IT system audits.
- BAFS imposed a policy to monitor subsidiaries, associates and companies in which BAFS holds shares and determined directions for the persons appointed as directors or executives. The Risk Management Committee was responsible for overseeing risk management of BAFS Group and reported to the Board of Directors on a quarterly basis. Meanwhile, the Executive Committee oversaw and monitored BAFS Group's progress of operations and assessed their performance. Moreover, the subsidiaries were requested to report their performance to the Executive Committee on a monthly basis and to the Board of Directors on a half-yearly basis.

#### 4. Information and Communication

BAFS arranged good information and communication systems as follows:

- BAFS used relevant and high quality information from both internal and external sources based on costs and benefits that may obtain from using the information system for data processing and storage. To ensure internal control effectiveness, revisions on relevant information such as activity-based costing system and managerial report were regularly conducted.
- BAFS regularly reported significant information to the Board of Directors whereby the Board of Directors can access to necessary information for their performance of duties or report auditing such as delivery of meeting documents and preparation of minutes of the Board of Directors Meeting, which comprised sufficient and necessary details, within the specified period. In addition, BAFS arranged the Board of Directors Meeting efficiency assessment as well as assigned the Corporate Secretary to be a coordinator between BAFS and the Board of Directors. The Board of Directors Meetings without participation of the management were held as well.
- BAFS prepared financial reports in accordance with the Generally Accepted Accounting Standards which were appropriate with its business nature. Its accounting documents were also stored according to a specific category.
- BAFS had an efficient internal communication process to communicate with executives and employees at all levels through a variety of communication channels such as campaign media and daily situation reports on the COVID-19 outbreak, training programs on Personal Data Protection

Act B.E. 2562 (2019) and Objective and Key Results (OKRs), etc. BAFS also developed web meeting platform systems and The Rocketeer website to gather information on BAFS's trainings and personnel development.

- BAFS imposed the Communication and Information Disclosure Policy, implemented efficient communication processes, and provided appropriate communication channels to communicate with its external stakeholders, for example, setting up an Investor Relations Unit, communicating via BAFS's website, arranging quarterly meetings for executives and investors, etc.
- BAFS provided special and safe communication channels to both internal and external parties for filing complaints or whistleblowing on suspicious breaches of laws, BAFS's Code of Conduct, and Anti-Corruption Policy as well as corrupt behaviors and unequal treatment. In any case, BAFS had in place the Whistleblower Protection Policy stipulating the non-disclosure of whistleblower's information and the importance of fairness and protection for employee whistleblowers.

## 5. Monitoring Activities

BAFS arranged constant monitoring activities as follows:

- Reports on comparison of operating results with predetermined goals were prepared and submitted to the management, the Executive Committee, and the Board of Directors for acknowledgement on a regular basis. The reports including the information on management system and investment projects were also presented to the management on a monthly basis. BAFS's operating results were reported to the Executive Committee on a monthly basis. BAFS's operating results and performance of subcommittees were reported to the Board of Directors on a quarterly basis, while the performance according to BAFS's strategic plan on a half-yearly basis. Moreover, if the actual operating results were different from the predetermined goals, corrective actions would be immediately taken.
- In case of any incident that may cause significant impacts to BAFS, it would be reported to the Board of Directors or relevant subcommittees. The management would report its progress and provide problem solving guidelines within the appropriate period.
- Processes taken to monitor policies and criteria relating to the principles of good corporate governance were established, for instance, the Anti-Corruption Policy and Code of Conduct Handbook, etc. The summary report on the results of Code of Conduct tests was also submitted to the Board of Directors on a regular basis. The compliance with the criteria and policies prescribed in the self-assessment form on anti-corruption measures was monitored. The independent Internal Audit Unit was set up to provide assurance and fair counsel as well as to audit compliances of internal control system, risk management system and corporate governance system, Code of Conduct and anti-corruption measures as defined in its auditing plan. The Internal Audit Unit reported its auditing results to the Audit Committee and regularly followed up and reported its auditing progress on a quarterly basis. The internal control system adequacy assessment was conducted by executives and independently by the Internal Audit Unit. In addition, BAFS developed and encouraged its internal auditors to attend professional internal audit trainings continuously to enhance their knowledge, skills and capabilities.



## 9.2 Connected Transactions

### 9.2.1 Summary of Opinions Concerning Connected Transactions with Persons who may have Conflict of Interest in 2020

The Board of Directors assigned the Audit Committee as an independent committee to review BAFS's connected transactions in order to ensure their compliance with laws and regulations of the Stock Exchange of Thailand (SET) and the office of the Securities and Exchange Commission (SEC).

In 2020, BAFS conducted connected transactions with persons who may have conflict of interest under normal business conditions. BAFS's pricing policy for connected transactions was also disclosed in the list of connected transactions with related companies shown in Notes to Financial Statements ended December 31, 2020.

Moreover, the Audit Committee attended the Board of Directors meeting on February 25, 2021, where the Board of Directors agreed with the Audit Committee's opinions that the connected transactions with persons who may have conflict of interests were reasonable and beneficial to BAFS and its subsidiaries' business operations. Details are as follows:

#### 1. Connected transactions between BAFS and persons who may have conflict of interest

##### 1.1 Thai Airways International Public Company Limited (THAI)

BAFS provides aviation fuel storage, aircraft refuelling and defuelling services at Don Mueang International Airport and Suvarnabhumi Airport. BAFS entered into contracts with the user companies, of which their terms and conditions and service fee rates are similar to those of the transactions conducted with external parties. However, new fuel suppliers, which are not BAFS's shareholders, shall be charged for special service fees in accordance with the terms and conditions pursuant to the policy approved by the Board of Directors.

BAFS has collected considerations from the user companies for its aircraft refuelling service at Don Mueang International Airport and transferred them to Airports of Thailand Public Company Limited, whereby BAFS does not have interest in those payments, in accordance with the terms and conditions specified in the contracts.

The Audit Committee viewed that such transactions were a connected transactions, but they were necessary and highly beneficial to BAFS's business operations as they were a normal business operations of aircraft refuelling service at Don Mueang International Airport and Suvarnabhumi Airport.

BAFS also provides customs formalities service for the companies choosing a comprehensive array of services free of charge. The Audit Committee viewed that such transaction was a connected transaction, but it was an additional service to facilitate the user companies and a normal business support transaction for the benefits of BAFS's business operations at Don Mueang International Airport and Suvarnabhumi Airport.

##### 1.2 The Shell Company of Thailand Limited (Shell)

BAFS provides aviation fuel storage, aircraft refuelling and defuelling services at Don Mueang International Airport and Suvarnabhumi Airport and collects service fees from the Shell Company of Thailand Limited, similarly to the transactions conducted with THAI. The Audit

Committee viewed that such transactions were connected transactions, but they were necessary and highly beneficial to BAFS's business operations as they were normal business operations of aircraft refuelling service at Don Mueang International Airport and Suvarnabhumi Airport.

BAFS also provides customs formalities service for the companies choosing a comprehensive array of services free of charge. The Audit Committee viewed that such transaction was a connected transaction, but it was an additional service to facilitate the user companies and a normal business support transaction for the benefits of BAFS's business operations at Don Mueang International Airport and Suvarnabhumi Airport.

Moreover, BAFS made an agreement to use fleet cards to pay for its vehicles' fuels, whereby Shell has charged fuel prices based on market prices. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to BAFS's business operations.

### **1.3 PTT Public Company Limited (PTT)**

#### **1.4 PTT Retail Management Company Limited (PTTRM)**

BAFS made an agreement to use fleet cards to pay for its vehicles' fuels, whereby PTT and PTTRM have charged fuel prices based on market prices. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to BAFS's business operations.

#### **1.5 PTT Oil and Retail Business Public Company Limited (PTTOR)**

BAFS provides aviation fuel storage, aircraft refuelling and defuelling services at Don Mueang International Airport and Suvarnabhumi Airport and collects considerations from PTTOR for its aircraft refuelling service at Don Mueang International Airport, similarly to the transactions conducted with THAI and Shell. The Audit Committee viewed that such transactions were connected transactions, but they were necessary and highly beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Don Mueang International Airport and Suvarnabhumi Airport.

Furthermore, BAFS provides aviation fuel storage, aircraft refuelling and defuelling services at Samui, Sukhothai and Trat Airports where PTTOR is the sole company that transfers aviation fuel and aircraft refuelling products through the aircraft refuelling system to those airports and agrees to pay service fees to BAFS according to the specified rates and terms and conditions. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to BAFS's business operations at Samui, Sukhothai and Trat Airports.

BAFS also made an agreement to use fleet cards to pay for its vehicles' fuels, whereby PTTOR has charged fuel prices based on market prices. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to BAFS's business operations.

## 1.6 PTT Digital Solutions Company Limited (PTT Digital)

BAFS made an agreement with PTT Digital on mutually renting Microsoft products free of charge. The Audit Committee viewed that such transaction was a connected transaction as it was a normal business support transaction and beneficial to BAFS's business operation.

## 1.7 Airports of Thailand Public Company Limited (AOT)

### • Don Mueang International Airport

BAFS made a fuel hydrant pipeline rental contract with AOT to operate its into-plane services through underground fuel hydrant pipelines, which is a normal business operation for its aviation refuelling service at Don Mueang International Airport. BAFS shall pay fuel hydrant pipeline rental fees based on the rates specified in the contract, which shall be adjusted in accordance with the country's general consumer price index.

In addition, BAFS collects considerations from the user companies for its aircraft refuelling service at Don Mueang International Airport and transfers them to AOT, whereby BAFS does not have interest in such payments, in accordance with the terms and conditions specified in the contract.

The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and highly beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Don Mueang International Airport.

BAFS also made an airside and landside rental contract at Don Mueang International Airport for its into-plane service system project implementation and parking areas for its employees who work in the airside at Don Mueang International Airport. The rental fee rates are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and highly beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Don Mueang International Airport.



However, in 2020, the Coronavirus Disease outbreak has globally affected the aviation industry and caused a significant decrease in flight numbers. Therefore, to reduce such impacts, AOT established assistance measures for the concessionaires and airlines operating at airports under AOT's supervision, for example, reductions in rental fees for the aviation fuel transportation pipeline system at Don Mueang International Airport and space rental fees for all tenants at Don Mueang International Airport and Suvarnabhumi Airport.

- **Suvarnabhumi Airport**

BAFS entered into a 20-year into-plane service system project contract with AOT and was granted a license to operate its aircraft refuelling and defuelling services at Suvarnabhumi Airport, starting from September 28, 2006 which is the airport's official opening date. BAFS shall pay considerations rates which are similar to those of the transactions conducted with external parties as specified in the contract. BAFS shall also be obliged to comply with AOT's regulations.

The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and highly beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Suvarnabhumi Airport.

BAFS made a land rental contract for its construction sites of buildings and structures, located outside Suvarnabhumi Airport's apron, in support of its implementation of the 20-year into-plane service system project, starting from the airport's official opening date. The rental fee rates are similar to those of the transactions conducted with external parties. Also, BAFS made a rental contract to use rooms and spaces inside Suvarnabhumi Airport's apron as its office, vehicle parking area and ground support equipment storage area. The rental fee rates are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transactions were connected transactions, but they were necessary under general commercial conditions and highly beneficial to BAFS's business operations as they were normal business operations of aircraft refuelling service at Suvarnabhumi Airport.

BAFS has AOT issue an airport ID card and a vehicle pass in order to have access to AOT's restricted areas at Don Mueang International Airport and Suvarnabhumi Airport as well as use public utility service and others of AOT inside the airports, which are AOT's additional services to facilitate BAFS's into-plane service operations inside the airports. BAFS shall pay service fees that are similar to those of the transactions conducted with external parties and be obliged to comply with the terms and conditions specified by AOT. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Don Mueang International Airport and Suvarnabhumi Airport.

In addition, BAFS provides information system development service to reinforce AOT's business continuity management in support of BAFS's policy on an increase of other revenues. The Audit Committee viewed that such transaction was a connected transaction as it was a normal business support transaction and beneficial to BAFS's business operations.

BAFS also uses security guard services at Suvarnabhumi Airport to facilitate the testing of aviation fuel transportation through hydrant pipelines system phase 2. The Audit Committee viewed that such transaction was a connected transaction, but it was under normal commercial operations and was beneficial to BAFS's business operations.

#### **1.8 Bangkok Airways Public Company Limited (BA)**

BAFS has entered into a permission agreement with BA to operate its aircraft refuelling service at Samui, Sukhothai, and Trat airports and rented radio communication equipment for its operations at Samui and Trat airports. BAFS also has BA issue an airport ID card and a vehicle pass at Samui, Sukhothai and Trat airports to have access to BA's restricted areas. BAFS shall pay service fees that are similar to those of the transactions conducted with external parties and be obliged to comply with the terms and conditions specified by BA. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Samui, Sukhothai and Trat airports.

BAFS has purchased air tickets from BA to send its employees on regional assignments at Samui, Sukhothai and Trat airports. The Audit Committee viewed that such transaction was a connected transaction as it was a normal business support transaction and beneficial to BAFS's business operations.

Moreover, BAFS entered into a long-term land rental contract with BA for the benefits of its business operations. The Audit Committee viewed that such transaction was a connected transaction as it was a normal business support transaction and beneficial to BAFS's business operations.

#### **1.9 The Ministry of Finance**

BAFS made a contract with the Ministry of Finance to rent state-owned buildings and land relating to buildings for the implementation of into-plane service system project at Don Mueang Aviation Fuel Storage Station and sublease space to Fuel Pipeline Transportation Limited and Thai Petroleum Pipeline Company Limited for their business operations. BAFS shall pay rental fees and be obliged to comply with the terms and conditions specified in the contract. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and highly beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Don Mueang International Airport.

#### **1.10 Thai Petroleum Pipeline Company Limited (THAPPLINE)**

- **Don Mueang Aviation Fuel Storage Station**

BAFS entered into contracts with THAPPLINE for land rental and public utility service at Don Mueang Aviation Fuel Storage Station. Such land is rented for construction of buildings and facilities for the receipt and distribution of aviation fuel that is transferred via THAPPLINE's fuel pipelines. THAPPLINE shall pay rental and service fees and be obliged to comply with the terms and conditions specified in the contract, whereas such public utility service excludes water supplied for fire fighting system, tap water and electricity consumption volume, which are charged on the basis of actual usage. THAPPLINE shall pay rental and service fee rates in accordance with the terms and conditions specified in the

contracts. The Audit Committee viewed that such transactions were connected transactions, but they were rental contracts that BAFS had made with THAPPLINE for construction of buildings and facilities for the receipt and distribution of aviation fuel, which was necessary and highly beneficial to BAFS's business operations as it was a normal business operation of aircraft refuelling service at Don Mueang International Airport.

- **Suvarnabhumi Aviation Fuel Storage Station**

BAFS entered into a land and structure rental contract and a service contract with THAPPLINE for the construction of THAPPLINE's buildings, structures and fuel pipeline transportation system equipment at Suvarnabhumi Aviation Fuel Storage Station. THAPPLINE shall pay rental and service fees and obliged to comply with the terms and conditions specified in the contracts. The public utility system provided excludes water volume used in a sprinkler system, tap water and electricity consumption volume, which are charged on the basis of actual usage. The Audit Committee viewed that such transactions were connected transactions, but they were rental contracts that BAFS had made with THAPPLINE for construction of buildings, structures and fuel pipeline transportation system equipment, which were necessary and highly beneficial to BAFS's business operations as they were normal business operations of aircraft refuelling service at Suvarnabhumi Airport.

#### **1.11 Dhipaya Insurance Public Company Limited (TIP)**

BAFS has insured for all risks, third-party liability, property terrorism, and fire for the testing of aviation fuel hydrant pipeline transportation system phase 2 at Suvarnabhumi Airport as well as auto and road accident victim protection with TIP. BAFS shall pay insurance premiums based on market prices and obliged to comply with the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to BAFS's business operation as it was executed in order to minimize risks and damaging effects that may arise from BAFS's business operations.

Moreover, BAFS has insured for Coronavirus Disease protection as a security and covered medical costs for its employees who may be infected with the Coronavirus Disease. BAFS shall pay for insurance premiums based on market prices and be obliged to the conditions in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was for the benefits of BAFS's business operations to reduce the impacts arising from the Coronavirus Disease infections of employees that may affect BAFS's business operations.

#### **1.12 Bangkok Insurance Public Company Limited (BKI)**

BAFS has insured for all risks, third-party liability, property terrorism, and fire for the testing of aviation fuel hydrant pipeline transportation system phase 2 at Suvarnabhumi Airport as well as other types of insurance such as group accident and health insurance of employees with BKI. BAFS shall pay insurance premiums based on market prices and be obliged to comply with the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to BAFS's business operations as it was executed in order to minimize risks and damaging effects that may arise from BAFS's business operations.



### **1.13 NPC Safety and Environmental Service Company Limited (NPC S&E)**

BAFS uses a database system to audit the consistency in the law on occupational health and safety, energy and environment with NPC S&E in order to monitor laws, trainings, and management systems. The service fee rates are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to BAFFS's business operations to ensure correct work practices and consistency in relevant laws.

### **1.14 TMB Bank Public Company Limited (TMB)**

BAFS entered into loan and bill of exchange contracts with TMB to generate fund and maintain liquidity of BAFFS as well as provide fund for its subsidiaries' projects and financial amount for financial transactions related to BAFFS's business operations such as for FX forwards. The Audit Committee viewed that such transactions were connected transactions, which were normal business support transactions under general commercial conditions and beneficial to BAFFS's business operations.

### **1.15 Thanachart Bank Public Company Limited (TBANK)**

BAFS received the Joint Lead Arranger service from TBANK to execute BAFFS's initial public offering. The Audit Committee viewed that such transaction was a connected transaction, which was a normal business support transaction and beneficial to BAFFS's business operations.

### **1.16 Bangkok Dusit Medical Services Public Company Limited (BDMS)**

BAFS sent its employees to get medical services such as return-to-work readiness assessments at BDMS's hospitals. The service fee rates were similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transactions, which was a normal business support transaction and beneficial to BAFFS's business operations.

## **2. Connected transactions between Fuel Pipeline Transportation Limited (subsidiary) and persons who may have conflict of interest**

### **2.1 The Shell Company of Thailand Limited (Shell)**

Fuel Pipeline Transportation Limited (FPT) provides aviation fuel and ground fuel transportation through multi-products underground pipelines to Shell from 3 oil supply sources, including Bangchak oil refinery and depots of Shell and Chevron (Thailand) Company Limited (Chevron), located in Chongnonsi, to transfer aviation fuel to Don Mueang and Suvarnabhumi Aviation Fuel Storage Stations and further distribute such fuel to BAFFS. Moreover, FPT transfers ground fuel to FPT's depot located in Bang Pa-In, Phra Na Khon Si Ayutthaya Province and Ban Na District, Phichit Province, and Sop Prap District, Lampang Province in the future. FPT also conducted a transaction with Shell on aviation fuel and ground fuel transportation service as aforementioned. The terms and conditions and service fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transactions were connected transactions, but they were necessary and highly beneficial to FPT's business operations as FPT is the provider of aviation fuel and ground fuel pipeline transportation service to those aviation fuel storage stations and fuel depots.



FPT also provides fuel supply document issuance service at Bang Pa-In Depot where the office that distributes ground fuel to the service station and industrial customers. The service terms and conditions and fees are based on fuel volume transferred from Bang Pa-In Depot. The Audit Committee viewed that such transaction was a connected transaction, but it was service to facilitate Shell's operation which was beneficial to FPT's business operations in the area of Bang Pa-In Depot.

Furthermore, FPT made an office building rental contract in order to use it as its office building to issue documents related to fuel transportation and depot operation. The terms and conditions and service fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was a rental contract to facilitate Shell's operations which was beneficial to FPT's business operations in the area of Phichit Depot.

## **2.2 PTT Public Company Limited (PTT)**

FPT made a land sublease contract with PTT in order to set up a natural gas transmission system. The sublease fees that FPT charges to PTT are actual rental fee amount that FPT pays to the State Railway of Thailand plus its operating cost for 5.5 percent. The Audit Committee viewed that such transaction was a connected transaction, but it was beneficial to FPT's business operations and did not cause benefit transfer as it was a rental contract for PTT to undertake an NGV transmission pipeline project by constructing and installing natural gas pipelines to use natural gas as an alternative energy.

## **2.3 PTT Oil and Retail Business Public Company Limited (PTTOR)**

FPT provides aviation fuel and ground fuel transportation service through underground pipeline systems. The terms and conditions and service fees collected from PTTOR are similar to those of the transactions conducted with Shell. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and highly beneficial to FPT's business operations as FPT is the provider of aviation fuel and ground fuel transportation service through underground pipeline systems to those aviation fuel storage stations and fuel depots.

FPT also made an office building rental contract in order to use it as its office building to issue documents related to fuel transportation and depot operation. Service conditions and fees are similar to those of the transactions that FPT conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was a rental contract to facilitate PTTOR, which was beneficial to FPT's business operations at Bang Pa-In Depot.

## **2.4 PTT Natural Gas Distribution Company Limited (PTT NGD)**

FPT made a contract with PTT NGD to provide its natural gas pipeline service. Such pipelines are old fuel pipelines that were no longer used by FPT. FPT specifies service terms and conditions and fees which are calculated from residual value of assets in book value and volume of natural gas that is transported. This transaction helps adding value to FPT's non-performing assets. The Audit Committee viewed that such transaction was a connected transaction, but it was beneficial to FPT's business operations as it optimized FPT's existing assets.

## **2.5 Airports of Thailand Public Company Limited (AOT)**

FPT made a rental contract for the land outside the airport's fence within the area of Suvarnabhumi Airport with AOT. Such land rental is for laying aviation fuel transportation pipelines transferring aviation fuel from the refineries to BAFS' Suvarnabhumi Aviation Fuel Storage Station. The rental fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and highly beneficial to FPT's business operations as it was a normal business operation for laying underground pipelines to receive aviation fuel from the user companies and transfer it to BAFS' Suvarnabhumi Aviation Fuel Storage Station.

## **2.6 Nok Airlines Public Company Limited (NOK)**

FPT purchased air tickets from NOK to send its employees on assignment at the Northern fuel transportation pipeline system extension project. The air ticket fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, which was a normal business support transaction, but it was under general commercial conditions and beneficial to FPT's business operations.

## **2.7 Dhipaya Insurance Public Company Limited (TIP)**

FPT insured for all risks, third-party liability, fire at Bang Pa-In Depot and fire from fuel system testing at Lampang Depot as well as other types of insurance such as liability insurance for Controlled Business Category 3- Bang Pa-In Depot, Bangchak - Bang Pa-In fuel transportation pipeline project, and Lampang Depot and auto insurance and road accident victim protection with TIP. FPT shall pay insurance premiums based on market prices and be obliged to the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to the FPT's business operations as they were executed in order to minimize risks and damaging effects that may arise from FPT's business operations.

## **2.8 Bangkok Insurance Public Company Limited (BKI)**

FPT insured for all risks, third-party liability, fire from fuel system testing at Bang Pa-In Depot as well as other types of insurance such as property insurance, group accident and health insurance, auto insurance and road accident victim protection, and radio communication equipment insurance with BKI. FPT shall pay insurance premiums based on market prices and be obliged to the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transactions were connected transactions, but they were necessary and beneficial to the FPT's business operations as they were executed in order to minimize risks and damaging effects that may arise from FPT's business operations.

## **2.9 NPC Safety and Environmental Service Company Limited (NPC S&E)**

FPT uses a database system to audit the consistency in the law on occupational health and safety, energy and environment with NPC S&E to monitor laws, trainings and management systems. The service fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to FPT's business operations to ensure correct work practices and consistency in relevant laws.

### **3. Connected transactions between Thai Aviation Refuelling Company Limited (subsidiary) and persons who may have conflict of interest**

#### **3.1 Thai Airways International Public Company Limited (THAI)**

Thai Aviation Refuelling Company Limited (TARCO) provides aviation fuel hydrant pipeline transportation service at Suvarnabhumi Airport to THAI. TARCO and user companies entered into a mutual contract, of which its conditions and service fees are similar to those of the transactions conducted with external parties. BAFS entered into a fee collection service contract with TARCO in order to collect those service fees from the user companies for TARCO. The Audit Committee viewed that such transactions were connected transactions, but they were necessary and highly beneficial to TARCO business operations as they were normal business operations of aviation fuel transportation system service at Suvarnabhumi Airport.

#### **3.2 The Shell Company of Thailand Limited (Shell)**

TARCO provides aviation fuel hydrant pipeline transportation service at Suvarnabhumi Airport to Shell. The transaction is similar to that conducted with THAI. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and highly beneficial to TARCO's business operations as it was a normal business operation of aviation fuel transportation system service at Suvarnabhumi Airport.

TARCO made an agreement to use fleet cards to pay for its vehicles' fuels, whereby Shell has charged fuel prices based on market prices. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to TARCO's business operations.

#### **3.3 PTT Public Company Limited (PTT)**

TARCO made an agreement to use fleet cards to pay for its vehicles' fuels, whereby PTT has charged fuel prices based on market prices. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to TARCO's business operations.

#### **3.4 PTT Oil and Retail Business Public Company Limited (PTTOR)**

TARCO provides aviation fuel hydrant pipeline transportation service at Suvarnabhumi Airport to PTTOR. The transaction is similar to that conducted with THAI and Shell. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and highly beneficial to TARCO's business operations as it was a normal business operation of aviation fuel transportation system service at Suvarnabhumi Airport.

TARCO received the aviation fuel quality testing from PTTOR to test the quality and the aviation fuel hydrant pipeline transportation system phase 2 at Suvarnabhumi Airport. The service fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary with general commercial conditions and beneficial to TARCO's business operations.

TARCO made an agreement to use fleet cards to pay for its vehicles' fuels, whereby PTTOR has charged fuel prices based on market prices. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to TARCO's business operations.

### 3.5 Airports of Thailand Public Company Limited (AOT)

TARCO was granted a license from AOT to operate aviation fuel hydrant pipeline transportation service at Suvarnabhumi Airport for a 30-year period, starting from the airport's official opening date on September 28, 2006. TARCO shall pay considerations at 2 percent per year of gross income before deducting expenses to AOT in accordance with the terms and conditions of licensing contract to operate aviation fuel hydrant pipeline transportation service at Suvarnabhumi Airport.

Later, AOT had developed the Suvarnabhumi Airport Development Plan Phase 2, whereby TARCO studied and designed its hydrant pipeline system phase 2. On September 16, 2010, TARCO submitted its conceptual design proposal to AOT for its further investment on hydrant pipeline system phase 2. At AOT's Board of Directors meeting on June 10, 2013, it was concluded that the hydrant pipeline service system phase 2 was part of such licensing contract. Therefore, to ensure completion of Suvarnabhumi Airport Development Plan Phase 2 within the specified timeframe according to the Cabinet Resolution, the AOT Board of Directors resolved that TARCO temporarily had carried out the hydrant pipeline system phase 2 at Suvarnabhumi Airport before an additional amendment to the licensing contract was signed.

Initially, TARCO and AOT signed a memorandum of understanding on September 23, 2013 in order to allow TARCO to start hydrant pipeline system phase 2 construction at Suvarnabhumi Airport. In case of any event that might cause cancellation, suspension, deferral or significant change of the project, resulting in a failure of contract signing, both parties shall discuss in good faith based on the provisions in the licensing contract and ensure TARCO's fairness to be compensated for its investment and other actual expenses. In the meantime, TARCO shall transfer such construction that was carried out and all assets to AOT or the Ministry of Finance or any other organization which AOT shall further notify to TARCO.

The Audit Committee viewed that such transaction were a connected transactions, but necessary and highly beneficial to TARCO's business operations as a normal business operations of aviation fuel transportation system service at Suvarnabhumi Airport.

TARCO entered into a rental contract to use land at Suvarnabhumi Airport in order to place its equipment, hydrant pipelines and provide parking area for its into-plane vehicles and facilities, and a rental contract to use space at Suvarnabhumi Airport for office room and vehicle parking as well as equipment storage to facilitate its operations. The service fee rates are similar to those of the transactions conducted with external parties.

However, in 2020, the Coronavirus Disease outbreak has globally affected the aviation industry and caused a significant decrease in flight numbers. Therefore, to reduce such impacts, AOT established assistance measures for the concessionaires and airlines operating at airports under AOT's supervision, for example, a reduction in space rental fees for all tenants at Suvarnabhumi Airport and an extension of time for each installment of rental fee payments.

The Audit Committee viewed that such transactions connected transactions, but necessary under general commercial conditions and highly beneficial to TARCO's business operations as a normal business operations of aviation fuel transportation system service at Suvarnabhumi Airport.

TARCO has used other services of AOT such as a car parking permit, and an airport ID card and a vehicle pass to facilitate and/or be able to operate tasks in AOT's restricted areas at Suvarnabhumi Airport. TARCO has also used public utility service and other services within the airport such as audit service for the installation of electric wires and equipment for the aviation fuel hydrant pipeline transportation system construction project phase 2, which was an additional service provided by AOT for the operation of TARCO in aviation fuel transportation service within the airport. TARCO shall pay service fees that are similar to those of the transactions conducted with external parties and be obliged to the terms and conditions specified by AOT. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and beneficial to TARCO's business operations as it was a normal business operation of aviation fuel transportation system service at Suvarnabhumi Airport

TARCO has its employees attend a training program on "Basic Fire Fighting", arranged by AOT which is famous and widely recognized for its disaster and emergency management. The service fee rates are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to TARCO's business operations as TARCO had become aware of crises that may affect its business operations, while such training could enhance its operational efficiency during crises in a prompt manner.

TARCO supported the arrangement of a New Year's celebration party and a retirement party for AOT's retired employees. The Audit Committee viewed that such transaction was a connected transaction, but it was considered as necessary as TARCO was one of the operators at Suvarnabhumi Airport and for the sake of business partnership in the long run.

### **3.6 Dhipaya Insurance Public Company Limited (TIP)**

TARCO insured for all risks, third-party liability, property, and construction of aviation fuel hydrant pipeline transportation system project phase 2 with TIP. TARCO shall pay insurance premiums based on market prices and be obliged to the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transactions were connected transaction, but they were necessary and beneficial to TARCO's business operations as they were executed in order to mitigate risks and damaging effects that may arise from TARCO's business operations.

Moreover, TARCO has insured for Coronavirus Disease protection as a security and covered medical costs for its employees who may be infected with the Coronavirus Disease. TARCO shall pay for insurance premiums based on market prices and be obliged to the conditions in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was for the benefits of TARCO's business operations to reduce the impacts arising from the Coronavirus Disease infections of employees that may affect TARCO's business operations.

### **3.7 Bangkok Insurance Public Company Limited (BKI)**

TARCO insured for all risks, third-party liability, property and construction of aviation fuel hydrant pipeline transportation system project phase 2 as well as other types of insurance such as employee accident and health insurance, and auto insurance and road accident victim protection with BKI. TARCO shall pay insurance premiums based on market prices and be obliged to the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to the TARCO's business operations as it was executed in order to minimize risks and damaging effects that may arise from TARCO's business operations.

### **3.8 NPC Safety and Environmental Service Company Limited (NPC S&E)**

TARCO used a database system to audit the consistency in the law on occupational health and safety, energy and environment with NPC S&E in order to monitor laws, trainings and management systems. The service fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to TARCO's business operations to ensure correct work practices and consistency in relevant laws.

TARCO received training services on "Change Management" and "Occupational Health, Safety, Energy, and Environment" with NPC S&E since it is a reputable organization and gains acceptance in safety, occupational, and environment. The service fees are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was under general commercial conditions and beneficial to TARCO's business operations since TARCO was aware of the impacts and damages that may arise from the business operations.

### **3.9 TMB Bank Public Company Limited (TMB)**

TARCO entered into a loan contract with TMB to generate fund for the aviation fuel hydrant pipeline transportation system project phase 2 and requested for extending the loan disbursement period pursuant to the contract to maintain liquidity affected by the Coronavirus Disease outbreak. The Audit Committee viewed that such transaction was a connected transaction which was a normal business support transaction, but it was under general commercial conditions and beneficial to TARCO's business operations.

## **4. Connected transactions between BAFS Innovation Development Company Limited (Subsidiary) and persons who may have conflict of interest**

### **4.1 Bangkok Insurance Public Company Limited (BKI)**

BAFS Innovation Development Co., Ltd. (BID) insured for group accidental and health for employees with BKI. BID shall pay for insurance premiums based on market prices and be obliged to the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to BID's business operations to reduce risks and damaging impacts that may arise from BID's business operations.

**5. Connected transactions between BAFS INTECH Company Limited (subsidiary) with persons who may have conflict of interest**

**5.1 PTT Oil and Retail Business Public Company Limited (PTTOR)**

BAFS INTECH Company Limited (BI) has used an aviation fuel quality testing service provided by PTTOR to test the fuel quality and the refuelling system of aviation refuelling vehicles before delivering them to its customers. BI shall pay for service fees which are similar to those of the transactions conducted with external parties. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and beneficial to BI's business operations.

**5.2 Dhipaya Insurance Public Company Limited (TIP)**

BI insured for auto and road accident victim protection with TIP. BI shall pay insurance premiums based on market prices and be obliged to the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to BI's business operations as it was executed to minimize risks and damaging impacts that may arise from BI's business operations.

Moreover, BI has insured for Coronavirus Disease protection as a security and covered medical costs for its employees who may be infected with the Coronavirus Disease. BI shall pay for insurance premiums based on market prices and be obliged to the conditions in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was for the benefits of BI's business operations to reduce the impacts arising from the Coronavirus Disease infections of employees that may affect BI's business operations.

**5.3 Bangkok Insurance Public Company Limited (BKI)**

BI insured for fire machine installation, and group accident and health for employees with BKI. BI shall pay insurance premiums based on market prices and be obliged to the terms and conditions specified in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary and beneficial to BI's business operations as it was executed to minimize risks and damaging impacts that may arise from BI's business operations.

**6. Connected transactions between Intoplane Services Company Limited (subsidiary) and persons who may have conflict of interest**

**6.1 Airports of Thailand Public Company Limited (AOT)**

Intoplane Services Company Limited (IPS) has AOT issue an airport ID card to have access to AOT's restricted areas at Don Mueang International Airport and Suvarnabhumi Airport. IPS shall pay service fees at the same rate as those of the transactions conducted with external parties and be obliged to the terms and conditions specified by AOT. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and beneficial to IPS's business operations.

**6.2 Bangkok Airways Public Company Limited (BA)**

IPS has BA issue a personal ID card pass at Samui, Sukhothai, and Trat airports to allow its employees to perform tasks in BA's restricted areas. IPS shall pay service fees which are similar to those of the transactions conducted with external parties and be obliged to the terms



and conditions specified by the BA. The Audit Committee viewed that such transaction was a connected transaction, but it was necessary under general commercial conditions and beneficial to IPS's business operations.

### 6.3 Dhipaya Insurance Public Company Limited (TIP)

IPS has insured for Coronavirus Disease protection as a security and covered medical costs for its employees who may be infected with the Coronavirus Disease. IPS shall pay for insurance premiums based on market prices and be obliged to the conditions in the insurance policies. The Audit Committee viewed that such transaction was a connected transaction, but it was for the benefits of IPS's business operations to reduce the impacts arising from the Coronavirus Disease infections of employees that may affect IPS's business operations.

#### 9.2.2 Connected Transactions with Persons who may have Conflict of Interest

##### 1. Details of connected transactions between Bangkok Aviation Fuel Services Public Company Limited and persons who may have conflict of interest

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
1. Thai Airways International Pcl. (THAI)	1. Aviation fuel storage, aircraft refuelling and defuelling services at Don Mueang International Airport and Suvarnabhumi Airport	1. THAI is BAFS's major shareholder.	-	60.07 million Baht	15.18 million Baht	Continued
	2. Collection of considerations for aircraft refuelling service at Don Mueang International Airport	2. The Ministry of Finance is BAFS's indirect major shareholder and THAI's major shareholder.	0.08 Baht/liter	-	-	Continued
	3. Customs formalities service	3. BAFS's directors who are THAI's executives: - Mr. Nattapong Samit-ampaipisarn (until July 20, 2020) - Squadron Leader Soradej Namruansri, (until October 1, 2020) - Mr. Cherdpan Chotikun (since May 13, 2020) - Mr. Chai Iamsiri (since October 8, 2020)	-	-	-	Continued
2. The Shell Company of Thailand Limited (Shell)	1. Aviation fuel storage, aircraft refuelling and defuelling services at Don Mueang International Airport and Suvarnabhumi Airport	BAFS's directors who are Shell's authorized persons: - Mr. Rungroj Sivachan (until March 31, 2020) - Mr. Sakchai Srilertfah (since May 13, 2020)	-	115.52 million Baht	11.77 million Baht	Continued

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
2. The Shell Company of Thailand Limited (Shell) (Continued)	2. Collection of considerations for aircraft refuelling service at Don Mueang International Airport		0.08 Baht/liter	7.30 million Baht	0.74 million Baht	Continued
	3. Customs formalities service		-	-	-	Continued
	4. Vehicle fuel costs		-	3.98 million Baht	0.38 million Baht	Continued
3. PTT Plc. (PTT)	Vehicle fuel costs	The Ministry of Finance is BAFS's indirect major shareholder and PTT's major shareholder.	-	1.12 million Baht	0.002 million Baht	Continued
4. PTT Retail Management Co., Ltd. (PTTRM)	Vehicle fuel costs	The Ministry of Finance is the indirect major shareholder of BAFS and PTTRM.	-	0.007 million Baht	0.001 million Baht	Continued
5. PTT Oil and Retail Business Plc. (PTTOR)	1. Aviation fuel storage, aircraft refuelling and defuelling services at Don Mueang International Airport and Suvarnabhumi Airport	1. The Ministry of Finance is the indirect major shareholder of BAFS and PTTOR.	-	456.87 million Baht	39.67 million Baht	Continued
	2. Collection of considerations for aircraft refuelling service at Don Mueang International Airport	2. BAFS's directors who are PTTOR's authorized persons: - Mr. Peratak Autadej (until July 16, 2020) - Mr. Chumpol Surapittayanont (since July 16, 2020)	0.08 Baht/liter	27.48 million Baht	2.21 million Baht	Continued
	3. Aviation fuel storage, aircraft refuelling and defuelling services at Samui, Sukhothai and Trat Airports		-	5.35 million Baht	0.12 million Baht	Continued
	4. Vehicle fuel costs		-	2.29 million Baht	0.35 million Baht	Continued
6. PTT Digital Solutions Co., Ltd. (PTT Digital)	Microsoft product mutual rentals	The Ministry of Finance is the indirect major shareholder of BAFS and PTT Digital.	-	-	-	Continued
7. Airports of Thailand Plc. (AOT)	1. Rentals and considerations • <b>Don Mueang International Airport</b> - Fuel pipeline transportation system rental	1. The Ministry of Finance is BAFS's indirect major shareholder and AOT's major shareholder. 2. Mr. Nitinai Sirismatthakarn, BAFS's director, is AOT's director and executive.	2,664,256.09 Baht (January 1 - 31, 2020) 2,147,595.62 Baht/month (February 1 - December 31, 2020)	26.29 million Baht	-	Continued

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
7. Airports of Thailand Plc. (AOT) (Continued)	- Considerations for aircraft refuelling service at Don Mueang International Airport, collected for AOT		0.08 Baht/liter	41.50 million Baht	3.29 million Baht	Continued
	- Airside rental		125 Baht/sqm./month (January 1 - March 31, 2020) and 62.5 Baht/sqm./month (April 1 - December 31, 2020)	6.77 million Baht	-	Continued
	- Landside rental		90 Baht/sqm./month (January 1 - March 31, 2020) and 45 Baht/sqm./month (April 1 - December 31, 2020)	0.40 million Baht	-	Continued
	• Suvarnabhumi Airport					
	- Considerations for aircraft refuelling and defuelling services		0.06 Baht/liter	96.25 million Baht	7.33 million Baht	Continued
	- Land rental outside the apron		75.75 Baht/sqm./month (January 1 - March 31, 2020) and 37.88 Baht/sqm./month (April 1 - December 31, 2020)	3.92 million Baht	-	Continued
	- Room rental inside the apron		470 Baht/sqm./month (January 1 - March 31, 2020) and 235 Baht/sqm./month (April 1 - December 31, 2020)	0.47 million Baht	-	Continued
	- Space rental inside the apron		155 Baht/sqm./month (January 1 - March 31, 2020) and 77.5 Baht/sqm./month (April 1 - December 31, 2020)	2.11 million Baht	-	Continued
	2. Airport ID card and vehicle pass issuance as well as public utility service charges and others at Don Mueang International Airport and Suvarnabhumi Airport		-	4.74 million Baht	-	Continued

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
7. Airports of Thailand Plc. (AOT) (Continued)	3. Information System Development Service		-	3.82 million Baht	0.86 million Baht	-
	4. Security guard services at Suvarnabhumi Airport		-	0.016 million Baht	0.016 million Baht	-
8. Bangkok Airways Plc. (BA)	1. Rental of radio communication equipment at Samui and Trat Airports	Mr. Puttipong Prasarttong-Osoth, BAFS's director, is BA's major shareholder.	-	0.17 million Baht	-	Continued
	2. Airport ID card and vehicle pass issuance at Samui, Sukhothai and Trat Airports		-	0.02 million Baht	-	Continued
	3. Air ticket purchase		-	0.04 million Baht	-	Continued
	4. Long-term land leasing		-	1.28 million Baht	-	Continued
9. The Ministry of Finance	Rental of state-owned building and land relating to building at Don Mueang Aviation Fuel Storage Station	The Ministry of Finance is BAFS's indirect major shareholder	-	10.40 million Baht	-	Continued
10. Thai Petroleum Pipeline Co., Ltd. (THAPPLINE)	1. Land and structure lease and public utility system service	1. The Ministry of Finance is the indirect major shareholder of BAFS and THAPPLINE. 2. Mr. Peratak Autadej, BAFS's director, (until July 16, 2020), is THAPPLINE's director (until September 30, 2020).	-	1.98 million Baht	-	Continued
	• Don Mueang Aviation Fuel Storage Station - Land lease		-	2.37 million Baht	-	Continued
	- Public utility system service		-	4.44 million Baht	-	Continued
	• Suvarnabhumi Airport Aviation Fuel Storage Station - Land lease		-	3.03 million Baht	-	Continued
	- Public utility system service		-	0.32 million Baht	-	Continued
	2. Collection of considerations for sprinkler, water supply and electricity systems		-			
11. Dhipaya Insurance Plc. (TIP)	1. All risks insurance, third-party liability insurance, and property terrorism insurance	The Ministry of Finance is indirect major shareholders of BAFS and TIP.	-	9.21 million Baht	2.98 million Baht	Continued

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
11. Dhipaya Insurance Plc. (TIP) (Continued)	2. Fire insurance for the testing of fuel hydrant pipeline transportation system phase 2 at Suvarnabhumi Airport			0.62 million Baht	0.62 million Baht	-
	3. Auto insurance and road accident victim protection		-	1.60 million Baht	0.12 million Baht	Continued
	4. Coronavirus Disease protection insurance		-	0.37 million Baht	-	Continued
12. Bangkok Insurance Plc. (BKI)	1. All risks insurance, third-party liability insurance and property terrorism insurance	M.R. Supadis Diskul, BAFS's director, is BKI's director.	-	10.39 million Baht	2.98 million Baht	Continued
	2. Fire insurance for the testing of fuel hydrant pipeline transportation system phase 2 at Suvarnabhumi Airport		-	0.62 million Baht	0.62 million Baht	-
	3. Other types of insurance such as group accident and health insurance of employees		-	6.67 million Baht	-	Continued
13. NPC Safety and Environmental Service Co., Ltd. (NPC S&E)	Database system service	The Ministry of Finance is the indirect major shareholder of BAFS and NPC S&E.	-	0.0025 million Baht	-	-
14. TMB Bank Plc. (TMB)	1. Principal, interest, fee payments on loan contracts	The Ministry of Finance is BAFS's indirect major shareholder and TMB's major shareholder.	-	402.20 million Baht	-	Continued
	2. Credit limit for financial transactions		-	37.22 million Baht	-	Continued
15. Thanachart Bank Public Company Limited (TBANK)	Joint lead arranger service	The Ministry of Finance is the indirect major shareholder of BAFS and TBANK.	-	0.54 million Baht	-	-
16. Bangkok Dusit Medical Services Plc. (BDMS)	Medical services	Mr. Puttipong Prasarttong-Osoth, BAFS's director has a close relative who is BDMS's major shareholder.	-	0.14 million Baht	0.03 million Baht	-

2. Details of connected transactions between Fuel Pipeline Transportation Limited (subsidiary) and persons who may have conflict of interest

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
1. The Shell Company of Thailand Limited (Shell)	1. Aviation fuel transportation service through hydrant pipeline and depot systems to Don Mueang Aviation Fuel Storage Station	BAFS's directors who are Shell's authorized persons: - Mr. Rungroj Sivachan (until March 31, 2020) - Mr. Saksit Srilertfah (since November 13, 2020)	-	8.06 million Baht	1.40 million Baht	Continued
	2. Aviation fuel transportation service through hydrant pipeline and depot systems to Suvarnabhumi Aviation Fuel Storage Station		-	21.07 million Baht	2.07 million Baht	Continued
	3. Aviation fuel transportation service through hydrant pipeline and depot systems to Bang Pa-In Depot and Phichit Depot		-	47.10 million Baht	5.49 million Baht	Continued
	4. Issuance of fuel supply documents at Bang Pa-In Depot		-	0.60 million Baht	0.05 million Baht	Continued
	5. Office building rental at Phichit Depot		-	0.24 million Baht	0.02 million Baht	Continued
2. PTT Plc. (PTT)	Sublease and utilization of property	The Ministry of Finance is BAFS's indirect major shareholder and PTT's major shareholder.	-	14.59 million Baht	1.31 million Baht	Continued
3. PTT Oil and Retail Business Plc. (PTTOR)	1. Aviation fuel transportation service through hydrant pipeline and depot systems to Don Mueang Aviation Fuel Storage Station	1. The Ministry of Finance is the indirect major shareholder of BAFS and PTTOR.	-	2.15 million Baht	0.10 million Baht	Continued
	2. Aviation fuel transportation service through hydrant pipeline and depot systems to Suvarnabhumi Aviation Fuel Storage Station	2. BAFS's directors who are PTTOR's authorized persons: - Mr. Peratak Autadej, (until July 16, 2020) - Mr. Chumpol Surapittayanont (since July 16, 2020)	-	-	-	-

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
3. PTT Oil and Retail Business Plc. (PTTOR) (Continued)	3. Aviation fuel transportation service through hydrant pipeline and depot systems to Bang Pa-In Depot and Phichit Depot		-	94.98 million Baht	8.81 million Baht	Continued
	4. Office building rental at Bang Pa-In Depot		-	0.24 million Baht	0.02 million Baht	Continued
	5. Office building rental at Phichit Depot		-	0.07 million Baht	0.006 million Baht	Continued
4. PTT Natural Gas Distribution Co., Ltd. (PTT NGD)	Natural gas transportation pipeline service at Bang Pa-In Depot	The Ministry of Finance is the indirect major shareholder of BAFS and PTT NGD.	-	0.79 million Baht	0.07 million Baht	Continued
5. Airports of Thailand Plc. (AOT)	Rental of land outside the airport's fence within the area of Suvarnabhumi Airport	1. The Ministry of Finance is BAFS's indirect major shareholder and AOT's major shareholder 2. Mr. Nitinai Sirismatthakarn, BAFS's director, is AOT's director and executive.	-	0.99 million Baht	0.07 million Baht	Continued
6. Nok Airlines Plc. (NOK)	Air ticket purchase	THAI is the major shareholder of BAFS and NOK.	-	0.26 million Baht	-	-
7. Dhipaya Insurance Plc. (TIP)	1. All risks insurance, third-party liability insurance and property insurance	The Ministry of Finance is the indirect major shareholders of BAFS and TIP.	-	8.35 million Baht	-	Continued
	2. Fire insurance at Phichit Depot		-	0.02 million Baht	-	-
	3. Fire insurance for the testing of fuel systems at Lampang Depot		-	0.66 million Baht	-	-
	4. Other types of insurance such as - Liability insurance for Controlled Business Category 3 - Bang Pa-In Depot, Bangchak - Bang Pa-In fuel transportation pipeline project, and Phichit Depot and Lampang Depot		-	0.15 million Baht	-	-
	- Auto insurance and road accident victim protection		-	0.05 million Baht	-	Continued



Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
8. Bangkok Insurance Plc. (BKI)	1. All risks insurance, third-party liability insurance and property insurance	M.R. Supadis Diskul, BAFS's director, is BKI's director.	-	8.35 million Baht	-	Continued
	2. Fire insurance for the testing of fuel systems at Lampang Depot		-	0.66 million Baht	-	-
	3. Other types of insurance such as property insurance, group accident and health insurance, auto insurance and road accident victim protection, and radio communication equipment insurance		-	2.97 million Baht	-	-
9. NPC Safety and Environmental Service Co., Ltd. (NPC S&E)	Database system service	The Ministry of Finance is the indirect major shareholder of BAFS and NPC S&E.	-	0.0025 million Baht	-	-

### 3. Details of connected transactions between Thai Aviation Refuelling Company Limited (subsidiary) and persons who may have conflict of interest

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
1. Thai Airways International Pcl. (THAI)	Aviation fuel hydrant pipeline transportation service	1. THAI is BAFS's major shareholder. 2. The Ministry of Finance is BAFS's indirect major shareholder and THAI's major shareholder. 3. BAFS's directors who are THAI's executives. - Mr. Nattapong Samit-ampaipisarn (until July 20, 2020) - Squadron Leader Soradej Namruansri (until October 1, 2020) - Mr. Cherdpan Chotikun (since May 13, 2020) - Mr. Chai Iamsiri (since October, 8, 2020)	-	24.68 million Baht	0.18 million Baht	Continued

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
2. The Shell Company of Thailand Limited (Shell)	1. Aviation fuel hydrant pipeline transportation service	BAFS's directors who are Shell's authorized persons: - Mr. Rungroj Sivachan (until March 31, 2020) - Mr. Saksit Srilertfah (since November 13, 2020)	-	23.09 million Baht	2.44 million Baht	Continued
	2. Vehicle fuel costs		-	0.22 million Baht	0.02 million Baht	Continued
3. PTT Plc. (PTT)	Vehicle fuel costs	The Ministry of Finance is BAFS's indirect major shareholder and PTT's major shareholder.	-	0.0092 million Baht	-	Continued
4. PTT Oil and Retail Business Plc. (PTTOR)	1. Aviation fuel hydrant pipeline transportation service	1. The Ministry of Finance is the indirect major shareholder of BAFS and PTTOR.	-	99.30 million Baht	8.86 million Baht	Continued
	2. Fuel quality testing service	2. BAFS's directors who are PTTOR's authorized persons:	-	0.17 million Baht	-	-
	3. Vehicle fuel costs	persons: - Mr. Peratak Autadej, (until July 16, 2020) - Mr. Chumpol Surapittayanont (since July 16, 2020)	-	0.06 million Baht	-	Continued
5. Airports of Thailand Plc. (AOT)	• <b>Suvarnabhumi Airport</b>	1. The Ministry of Finance is BAFS's indirect major shareholder and AOT's major shareholder.	2 percent per year of the total service revenue of BAFS before deducting expenses	5.07 million Baht	5.07 million Baht	Continued
	1. Permission of aviation fuel hydrant pipeline transportation system service	2. TARCO's directors who are AOT's executives: - Mr. Sirote Duangratana - Mrs. Chadanisa Chumnanvej	125 Baht/sqm./ month (January 1 - March 31, 2020) and 62.5 Baht/sqm./ month (April 1 - December 31, 2020)	0.11 million Baht	0.038 million Baht	Continued
	2. Eastern land rental		75.76 Baht/sqm./ month (January 1 - March 31, 2020) and 37.88 Baht/sqm./ month (April 1 - December 31, 2020)	0.91 million Baht	0.303 million Baht	Continued
	3. Rental of land at the rear of Domestic Cargo Building	3. The director of BAFS, a major shareholder of TARCO, is Mr. Nitinai Sirismatthakarn who is AOT's director and executive.				

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
5. Airports of Thailand Plc. (AOT) (Continued)	4. Rental of room inside the apron		470 Baht/sqm./month (January 1 - March 31, 2020) and 235 Baht/sqm./month (April 1 - December 31, 2020), inclusive of service fee	0.55 million Baht	0.185 million Baht	Continued
	5. Rental of space inside the apron		155 Baht/sqm./month (January 1 - March 31, 2020) and 77.5 Baht/sqm./month (April 1 - December 31, 2020)	0.05 million Baht	0.015 million Baht	Continued
	6. Other services such as issuance of parking permit, and airport ID card and vehicle pass as well as utility costs and others		-	0.41 million Baht	0.04 million Baht	Continued
	7. Training service on "Basic Fire Fighting"		-	0.03 million Baht	-	-
	8. Support of New Year's celebration party and retirement party		-	0.05 million Baht	-	-
6. Dhipaya Insurance Plc. (TIP)	1. All risks insurance and third-party liability insurance, property insurance, and fuel transportation pipeline construction insurance for the construction project of aviation fuel hydrant pipeline transportation system phase 2	The Ministry of Finance is the indirect major shareholder of BAFS and TIP.	-	1.57 million Baht	-	Continued
	2. Coronavirus Disease protection insurance		-	0.02 million Baht	-	-

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
7. Bangkok Insurance Plc. (BKI)	1. Third-party liability insurance, property insurance, and fuel transportation pipeline construction insurance for the construction project of aviation fuel hydrant pipeline transportation system phase 2	M.R. Supadis Diskul, BAFS's director, is BKI's director.	-	1.57 million Baht	-	Continued
	2. Other types of insurance such as accident and health insurance of employees and auto insurance and road accident victim protection		-	0.79 million Baht	0.02 million Baht	Continued
8. NPC Safety and Environmental Service Co., Ltd. (NPC S&E)	1. Database system service	The Ministry of Finance is the indirect major shareholder of BAFS and NPC S&E.	-	0.0025 million Baht	-	Continued
	2. Training service on "Change Management" and Occupational Health, Safety, Energy, and Environment"		-	0.002 million Baht	-	-
9. TMB Bank Public Company Limited (TMB)	Principal payment and long-term loan interest payment	The Ministry of Finance is the indirect major shareholder of BAFS and TMB.	-	31.98 million Baht	-	Continued

4. Details of connected transactions between BAFS Innovation Development Company Limited (subsidiary) and persons who may have conflict of Interest

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
Bangkok Insurance Plc. (BKI)	Group accident and health insurance of employees	M.R. Supadis Diskul, BAFS's director, is BKI's director.	-	-	0.01 million Baht	-

**5. Details of connected transactions between BAFS INTECH Company Limited (subsidiary) and persons who may have conflict of interest**

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
1. PTT Oil and Retail Business Plc. (PTTOR)	Aviation fuel quality testing service	1. The Ministry of Finance is the indirect major shareholder of BAFS and PTTOR. 2. BAFS's directors who are PTTOR's authorized persons. - Mr. Peratak Autadej, (until July 16, 2020) - Mr. Chumpol Surapittayanont (since July 16, 2020)	-	0.19 million Baht	-	-
2. Dhipaya Insurance Plc. (TIP)	1. Auto insurance and road accident victim protection	The Ministry of Finance is the indirect major shareholders of BAFS and TIP.	-	0.07 million Baht	-	Continued
	2. Marine cargo insurance		-	0.02 million Baht	-	-
	3. Coronavirus Disease protection insurance		-	0.01 million Baht	-	-
3. Bangkok Insurance Plc. (BKI)	1. Fire insurance	M.R. Supadis Diskul, BAFS's director, is BKI's director.	-	0.08 million Baht	-	Continued
	2. Machine installation insurance		-	0.04 million Baht	-	-
	3. Group accident and health insurance of employees		-	0.06 million Baht	-	-

**6. Details of connected transactions between Intoplane Services Company Limited (subsidiary) and persons who may have conflict of interest**

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
1. Airports of Thailand Plc. (AOT)	Airport ID card issuance at Don Mueang International Airport and Suvarnabhumi Airport	1. The Ministry of Finance is BAFS's indirect major shareholder and AOT's major shareholder. 2. Mr. Nitinai Sirismatthakarn, BAFS's director, is AOT's director and executive.	-	0.001 million Baht	-	Continued

Name	Characteristics of Transactions	Relationship	Unit Price	Total Amount of 2020 (VAT Excluded)	Balance as of December 31, 2020 (VAT Excluded)	Continuation of Transactions
2. Bangkok Airways Plc. (BA)	Airport ID card issuance at Samui, Sukhothai, and Trat airports	Mr. Puttipong Prasarttong-Osoth, BAFS's director, is BA's major shareholder.	-	0.005 million Baht	-	Continued
3. Dhipaya Insurance Plc. (TIP)	Coronavirus Disease protection insurance	The Ministry of Finance is the indirect major shareholders of BAFS and TIP.	-	0.03 million Baht	-	-

### 9.2.3 Measure or Procedure for Connected Transaction Approval

#### Measure or Procedure for Connected Transaction Approval

BAFS stipulated procedure for connected transactions with persons, who may have conflicts of interests, including information disclosure of such connected transactions to fulfill requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The explicit procedure guidelines have been updated consistently in accordance with the SET and the SEC's regulations. In case any connected transaction has to be approved by the shareholders' meeting or BAFS's Board of Directors, such transaction shall be considered and screened firstly by the independent Audit Committee. In the event that the Audit Committee renders different comment from the Board's comment on such transaction, BAFS will disclose detail of their different comments as well. For any approval of connected transaction, BAFS takes into account maximum benefits of its business operation including fairness, reasonability of transaction in accordance with market price and normal commercial terms. In addition, as defined in BAFS's Articles of Association, director who has interest on any matter is not entitled to participate in its approval.

In addition, BAFS's Board of Directors approved on principles of trade agreement with general commercial terms in transactions between the Company and its subsidiaries with their directors, executives or relevant persons in order to enable BAFS to operate pursuant to Section 89/12 (1) of the Securities Exchange Act (No. 4) B.E. 2551.

#### Policy and Tendency of Connected Transactions in the Future

BAFS imposed connected transaction policy in compliance with regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Company also determined terms and conditions for connected transactions in consistent with fair prices and commercial terms without transfer of benefits to and among the Company, its subsidiaries and shareholders. Considering its nature of business, this is providing inclusive aviation fuel service, together with its shareholding structure that comprised of the Thai Airways International PLC., the Airports of Thailand PLC. and many

oil companies; therefore, BAFS has a tendency to process connected transactions with persons/other business enterprises, which can cause potential conflicts in the future. However, every connected transaction is reasonable, necessary and beneficial to BAFS's business operation as well as occurs from normal business operations of into-plane services at the main and regional airports including Don Mueang, Suvarnabhumi, Samui, Sukhothai and Trat as well. BAFS will disclose connected transactions list in its notes to the financial statements that are audited by BAFS's auditor in accordance with accounting standards stipulated by the Federation of accounting professions.

Furthermore, BAFS has prepared all risk insurance, legal liability insurance to third parties and property insurance from terrorism with the Dhipaya Insurance PLC. to cover risks and reduce impact from damages which may occur from its transactions that are beneficial to BAFS's normal business operations.

#### 9.2.4 Disclosure of Connected Transactions Made During the Past 3 Years

Shareholders and/or investors can study and compare information relating to connected transactions for 3-year period in the Annual Registration Statement (Form 56-1) and the Annual Report which the Company has published in [www.bafsthai.com](http://www.bafsthai.com), topic : "Investor Relations".





## Sections 3: Financial Statements

### Report on the Board of Directors' Responsibilities towards the 2020 Financial Statements

The Board of Directors is accountable for Bangkok Aviation Fuel Services Public Company Limited (BAFS) and subsidiaries' consolidated financial statements and separate financial statements including financial information disclosed in the Annual Report. The financial statements ended December 31, 2020 were prepared in accordance with Thai Financial Reporting Standards by regularly implementing and conforming to appropriate accounting policies while exercising discretion, preparing reasonable forecasts and disclosing significant information in Notes to financial statements in an adequate and transparent manner for the benefits of shareholders and general investors.

The Board of Directors also adhered to good corporate governance and maintained adequate and effective risk management and internal control systems to ensure accuracy and completeness of significant information based on facts in a timely and adequate manner to retain assets and prevent significant fraud or wrongdoing.


In this regard, the Board of Directors appointed the Audit Committee consisting of independent directors who were experts and fully qualified as required by BAFS and the Capital Market Supervisory Board to review and ensure accuracy and adequacy of BAFS's financial reporting as well as appropriateness and effectiveness of BAFS's risk management and internal control systems. The Audit Committee performed its duties as stipulated in the Audit Committee Charter. The Audit Committee's opinions appeared in the Report of the Audit Committee which was disclosed in the Annual Report.

The Board of Directors agreed with the Audit Committee's opinion that the consolidated financial statements of BAFS and subsidiaries and the separate financial statements ended December 31, 2020, and operating results and cash flow in the same accounting period were prepared, in all material respects, in accordance with Thai Financial Reporting Standards.



(Mr. Palakorn Suwanrath)

Chairman of the Board of Directors



(Mr. Prakobkiat Ninnad)

President

## Independent Auditor's Report

To the Shareholders of Bangkok Aviation Fuel Services Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries (the Company and its subsidiaries), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Bangkok Aviation Fuel Services Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries and of Bangkok Aviation Fuel Services Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

175

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company and its subsidiaries in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond is described below.

### Revenue recognition

Service income is a significant account of the Company and its subsidiaries because the amount recorded in the account directly affects the annual profit and loss of the Company and its subsidiaries. Therefore, I have focused on the amount and timing of revenue recognition of the Company and its subsidiaries.

I have examined the revenue recognition of the Company and its subsidiaries by assessing and testing the Company and its subsidiaries' internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and randomly selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the risks related to an amount and timing of revenue recognition, applying a sampling method to select service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Company and its subsidiaries' policy. In addition, on a sampling basis, I have examined supporting documents for actual service transactions occurring during the year, near the end of the accounting period and after the period-end, reviewed credit notes that the Company and its subsidiaries issued after the period-end and performed analytical procedures on disaggregated data to detect possible irregularities in service transactions throughout the period, particularly for accounting entries made through journal vouchers.

## Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company and its subsidiaries, but does not include the financial statements and my auditor's report thereon. The annual report of the Company and its subsidiaries is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company and its subsidiaries, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company and its subsidiaries's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company and its subsidiaries's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and its subsidiaries's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and its subsidiaries's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

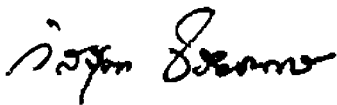
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Company and its subsidiaries audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Vissuta Jariyathanakorn

Certified Public Accountant (Thailand) No. 3853

EY Office Limited

Bangkok: 25 February 2021

## Statements of financial position

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	804,619,765	1,426,488,303	404,287,638	982,412,848
Current investments		-	611,994,715	-	212,626,422
Trade and other receivables	9	158,941,210	388,261,069	99,567,347	313,474,106
Current portion of lease receivable	17	5,458,904	-	-	-
Inventories		43,112,133	50,276,856	14,575,746	17,337,988
Current portion of long-term loan to and receivable from related party	7	-	-	71,579,927	71,579,927
Other current financial assets	10	827,175,639	50,771,900	144,411,842	15,257,508
Other current assets		60,280,322	65,258,920	24,449,709	36,733,967
Total current assets		1,899,587,973	2,593,051,763	758,872,209	1,649,422,766
Non-current assets					
Restricted bank deposits and government bond	20	70,760,559	70,489,931	-	-
Long-term investment		-	1,998,605	-	-
Investment in subsidiaries	11	-	-	5,014,598,954	4,449,602,189
Investment in joint venture	12	15,028,614	-	-	-
Investment in associates	13	69,807,796	38,947,204	40,000,000	40,000,000
Lease receivable, net of current portion	17	191,867,195	-	-	-
Long-term loan to and receivable from related party, net of current portion	7	-	-	115,957,186	77,537,112
Investment properties	14	47,953,340	47,953,340	47,953,340	47,953,340
Property, plant and equipment	15	14,066,475,329	12,696,980,989	2,261,893,983	2,263,460,748
Project costs under concession agreements	16	1,384,296,992	1,481,456,329	85,812,477	100,464,895
Right-of-use assets	17	1,307,749,039	27,711,440	173,937,814	-
Intangible assets	18	26,604,107	32,837,610	20,717,708	28,384,386
Deferred tax assets	28	342,753,662	234,019,761	246,082,499	192,119,062
Advance payment for construction		34,737,340	112,219,327	34,737,340	28,800,000
Other non-current assets		8,134,799	8,166,459	6,445,113	6,656,517
Total non-current assets		17,566,168,772	14,752,780,995	8,048,136,414	7,234,978,249
Total assets		19,465,756,745	17,345,832,758	8,807,008,623	8,884,401,015

The accompanying notes are an integral part of the financial statements.



## Statements of financial position (continued)

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	19	162,280,363	295,851,920	128,866,124	217,581,649
Current portion of long-term loans	20	421,987,642	526,271,000	321,440,000	321,440,000
Current portion of long-term liabilities					
under rehabilitation plan	21	3,529,825	3,725,774	-	-
Current portion of lease liabilities	17	37,820,225	10,473,485	40,323,532	14,984,362
Current portion of provision for land					
leased related to concession agreement	22	4,677,705	4,344,165	4,677,705	4,344,165
Corporate income tax payable		9,467,379	78,879,042	-	38,224,186
Other current liabilities		22,411,759	102,351,470	16,506,613	62,045,705
Total current liabilities		662,174,898	1,021,896,856	511,813,974	658,620,067
Non-current liabilities					
Long-term loans, net of current portion	20	8,397,753,404	7,180,430,000	1,446,400,000	1,767,840,000
Long-term liabilities under rehabilitation plan,					
net of current portion	21	284,954	3,814,779	-	-
Long-term lease liabilities, net of current portion	17	1,366,317,444	15,097,245	33,352,120	30,996,731
Provision for land leased related to concession					
agreement, net of current portion	22	28,334,217	33,010,823	28,334,217	33,010,823
Debenture	23	998,292,195	-	998,292,195	-
Provision for long-term employee benefits	24	1,162,856,235	1,134,890,541	968,311,505	952,459,288
Other non-current liabilities		82,369,734	92,876,785	11,105,745	7,752,819
Total non-current liabilities		12,036,208,183	8,460,120,173	3,485,795,782	2,792,059,661
Total liabilities		12,698,383,081	9,482,017,029	3,997,609,756	3,450,679,728

The accompanying notes are an integral part of the financial statements.

## Statements of financial position (continued)

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
637,496,657 ordinary shares of Baht 1 each		637,496,657	637,496,657	637,496,657	637,496,657
Issued and fully paid up					
637,496,153 ordinary shares of Baht 1 each		637,496,153	637,496,153	637,496,153	637,496,153
Share premium		434,975,000	434,975,000	434,975,000	434,975,000
Capital surplus resulting from change in interest in subsidiary					
without loss of control		410,076,849	410,076,849	-	-
Retained earnings					
Appropriated - statutory reserve	25	63,749,666	63,749,666	63,749,666	63,749,666
- other reserve	25	2,553,712,689	2,306,383,533	2,553,712,689	2,306,383,533
Unappropriated		1,393,081,766	2,664,901,198	1,119,465,359	1,991,116,935
Equity attributable to owners of the Company		5,493,092,123	6,517,582,399	4,809,398,867	5,433,721,287
Non-controlling interests of the subsidiaries		1,274,281,541	1,346,233,330	-	-
<b>Total shareholders' equity</b>		<b>6,767,373,664</b>	<b>7,863,815,729</b>	<b>4,809,398,867</b>	<b>5,433,721,287</b>
<b>Total liabilities and shareholders' equity</b>		<b>19,465,756,745</b>	<b>17,345,832,758</b>	<b>8,807,008,623</b>	<b>8,884,401,015</b>

The accompanying notes are an integral part of the financial statements.

## Statement of comprehensive income

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Profit or loss</b>					
<b>Revenue</b>					
Service income		1,804,314,146	3,872,442,768	949,214,623	2,481,886,759
Dividend income	11	-	-	245,922,137	546,498,799
Other income		78,137,681	45,792,590	94,417,342	105,999,047
<b>Total revenues</b>		<b>1,882,451,827</b>	<b>3,918,235,358</b>	<b>1,289,554,102</b>	<b>3,134,384,605</b>
<b>Expenses</b>					
Cost of services		1,528,608,717	1,829,243,404	848,029,181	1,155,665,511
Administrative expenses		588,887,591	701,394,739	354,162,482	471,796,539
<b>Total expenses</b>		<b>2,117,496,308</b>	<b>2,530,638,143</b>	<b>1,202,191,663</b>	<b>1,627,462,050</b>
<b>Operating profit (loss)</b>		<b>(235,044,481)</b>	<b>1,387,597,215</b>	<b>87,362,439</b>	<b>1,506,922,555</b>
Share of loss from investment in joint venture	12	(2,971,385)	-	-	-
Share of gain (loss) from investment in associates	13	1,160,592	(1,035,281)	-	-
Finance income		11,363,860	37,938,837	9,834,993	22,175,555
Finance cost	26	(281,082,802)	(196,320,304)	(124,835,317)	(117,470,207)
<b>Profit (loss) before income tax expenses</b>		<b>(506,574,216)</b>	<b>1,228,180,467</b>	<b>(27,637,885)</b>	<b>1,411,627,903</b>
Income tax	28	87,686,464	(260,804,690)	53,544,915	(174,982,125)
<b>Profit (loss) for the year</b>		<b>(418,887,752)</b>	<b>967,375,777</b>	<b>25,907,030</b>	<b>1,236,645,778</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period</i>					
Actuarial losses	24	-	(27,971,790)	-	(42,551,406)
Income tax effect	28	-	5,516,439	-	8,510,281
Other comprehensive income for the year		-	(22,455,351)	-	(34,041,125)
<b>Total comprehensive income for the year</b>		<b>(418,887,752)</b>	<b>944,920,426</b>	<b>25,907,030</b>	<b>1,202,604,653</b>

The accompanying notes are an integral part of the financial statements.

## Statement of comprehensive income (continued)

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Profit attributable to:</b>				
Equity holders of the Company	(374,260,826)	939,921,792	25,907,030	1,236,645,778
Non-controlling interests of the subsidiaries	(44,626,926)	27,453,985		
	(418,887,752)	967,375,777		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(374,260,826)	914,004,117	25,907,030	1,202,604,653
Non-controlling interests of the subsidiaries	(44,626,926)	30,916,309		
	(418,887,752)	944,920,426		
<b>Basic earnings per share</b>				
Profit (loss) attributable to equity holders of the Company	(0.59)	1.47	0.04	1.94

The accompanying notes are an integral part of the financial statements.

# Statement of changes in shareholders' equity

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
	Issued and fully paid-up share capital	Share premium	Capital surplus resulting from change in interest in subsidiary without loss of control	Legal reserve	Appropriated	Retained earnings	Unappropriated	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
<b>Balance as at 1 January 2019</b>	637,496,153	434,975,000	410,076,849	63,749,666	-	2,118,294,192	2,812,339,892	6,476,931,752	1,376,039,521	7,852,971,273
Profit for the year	-	-	-	-	-	-	939,921,792	939,921,792	27,453,985	967,375,777
Other comprehensive income for the year	-	-	-	-	-	-	(25,917,675)	(25,917,675)	3,462,324	(22,455,351)
Total comprehensive income for the year	-	-	-	-	-	-	914,004,117	914,004,117	30,916,309	944,920,426
Dividend paid from subsidiaries	-	-	-	-	-	-	-	-	(60,722,500)	(60,722,500)
Dividend paid (Note 33)	-	-	-	-	-	-	(873,353,470)	(873,353,470)	-	(873,353,470)
Other reserve (Note 25)	-	-	-	-	-	188,089,341	(188,089,341)	-	-	-
<b>Balance as at 31 December 2019</b>	637,496,153	434,975,000	410,076,849	63,749,666	-	2,306,383,533	2,664,901,198	6,517,582,399	1,346,233,330	7,863,815,729
<b>Balance as at 1 January 2020</b>	637,496,153	434,975,000	410,076,849	63,749,666	-	2,306,383,533	2,664,901,198	6,517,582,399	1,346,233,330	7,863,815,729
Loss for the year	-	-	-	-	-	-	(374,260,826)	(374,260,826)	(44,626,926)	(418,887,752)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(44,626,926)	(418,887,752)
Dividend paid from subsidiaries	-	-	-	-	-	-	-	-	(27,324,863)	(27,324,863)
Dividend paid (Note 33)	-	-	-	-	-	-	(650,229,450)	(650,229,450)	-	(650,229,450)
Other reserve (Note 25)	-	-	-	-	-	247,329,156	(247,329,156)	-	-	-
<b>Balance as at 31 December 2020</b>	637,496,153	434,975,000	410,076,849	63,749,666	-	2,553,712,689	1,393,081,766	5,493,092,123	1,274,281,541	6,767,373,664

The accompanying notes are an integral part of the financial statements.

## Statement of changes in shareholders' equity (continued)

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

(Unit: Baht)

	Separate financial statements					
	Issued and fully paid-up share capital	Share premium	Retained earnings			Total
			Legal reserve	Appropriated Other reserve	Unappropriated	
<b>Balance as at 1 January 2019</b>	637,496,153	434,975,000	63,749,666	2,118,294,192	1,849,955,093	5,104,470,104
Profit for the year	-	-	-	-	1,236,645,778	1,236,645,778
Other comprehensive income for the year	-	-	-	-	(34,041,125)	(34,041,125)
Total comprehensive income for the year	-	-	-	-	1,202,604,653	1,202,604,653
Dividend paid (Note 33)	-	-	-	-	(873,353,470)	(873,353,470)
Other reserve (Note 25)	-	-	-	188,089,341	(188,089,341)	-
<b>Balance as at 31 December 2019</b>	637,496,153	434,975,000	63,749,666	2,306,383,533	1,991,116,935	5,433,721,287
<b>Balance as at 1 January 2020</b>	637,496,153	434,975,000	63,749,666	2,306,383,533	1,991,116,935	5,433,721,287
Profit for the year	-	-	-	-	25,907,030	25,907,030
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	25,907,030	25,907,030
Dividend paid (Note 33)	-	-	-	-	(650,229,450)	(650,229,450)
Other reserve (Note 25)	-	-	-	247,329,156	(247,329,156)	-
<b>Balance as at 31 December 2020</b>	637,496,153	434,975,000	63,749,666	2,553,712,689	1,119,465,359	4,809,398,867

The accompanying notes are an integral part of the financial statements.

## Cash flow statement

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(506,574,216)	1,228,180,467	(27,637,885)	1,411,627,903
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	793,884,610	644,673,744	319,863,442	284,927,228
Allowance for expected credit losses	28,738,914	-	22,218,614	-
(Gain) loss on disposal of equipment and intangible asset	175,904	(5,701,970)	430,500	(5,390,396)
Difference from deduction in lease payment	2,010,204	-	(183,513)	-
Unrealised loss on exchange	346,077	237,327	157,789	310,042
Unrealised (gain) loss on change in value of current investments	33,385	(95,620)	-	-
Amortisation in premium of forward contract	-	(36,953)	-	(36,953)
Share of loss from investment in joint venture	2,971,385	-	-	-
Share of (gain) loss from investment in associates	(1,160,592)	1,035,281	-	-
Dividend income	-	-	(245,922,137)	(546,498,799)
Long-term employee benefits expenses	69,173,430	147,760,084	53,442,190	103,872,455
Finance income	(11,363,860)	(37,938,837)	(9,834,993)	(22,175,555)
Finance expenses	281,082,802	196,320,304	124,835,317	117,470,207
Income from operating activities before changes in operating assets and liabilities	659,318,043	2,174,433,827	237,369,324	1,344,106,132
Operating assets (increase) decrease				
Trade and other receivables	200,423,156	(8,588,633)	191,530,356	(2,612,140)
Inventories	7,164,723	(10,635,848)	2,762,242	(2,026,488)
Other current assets	14,089,240	33,126,493	12,284,258	(11,871,168)
Other non-current assets	31,660	1,818,629	211,404	1,803,047
Operating liabilities increase (decrease)				
Trade and other payables	(188,105,840)	(267,997,313)	(134,243,007)	(54,108,476)
Other current liabilities	(80,125,833)	14,297,974	(45,539,092)	11,162,307
Provision for long-term employee benefits	(58,042,097)	(48,369,435)	(51,580,654)	(43,863,519)
Other non-current liabilities	(14,550,822)	(95,114,784)	(563,953)	(1,960,072)
Cash flows from operating activities	540,202,230	1,792,970,910	212,230,878	1,240,629,623
Cash paid for corporate income tax	(99,569,742)	(304,870,576)	(38,642,707)	(191,058,395)
<b>Net cash flows from operating activities</b>	<b>440,632,488</b>	<b>1,488,100,334</b>	<b>173,588,171</b>	<b>1,049,571,228</b>

The accompanying notes are an integral part of the financial statements.



## Cash flow statement (continued)

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Cash flows from investing activities</b>				
Decrease (increase ) in current investment	-	62,649,418	-	(1,451,312)
Decrease (increase) in other current financial assets	(167,860,336)	-	78,065,794	-
Increase in long-term investment	-	(2,390)	-	-
Decrease (increase) in long-term loan to and receivable from related party	-	-	(38,420,074)	71,579,927
Increase in restricted bank deposits and government bond	(270,628)	(78,446)	-	-
Interest received	16,780,394	36,894,488	15,241,287	21,131,240
Dividend income from subsidiaries	-	-	245,922,137	546,498,799
Cash receipt from subsidiary preferred stock	-	-	3,235	-
Increase in investment in subsidiaries	-	-	(565,000,000)	-
Increase in investment in joint venture	(18,000,000)	-	-	-
Increase in investment in associates	(29,700,000)	(30,000,000)	-	(30,000,000)
Increase in advance payment for construction	(28,323,165)	(83,510,301)	(29,937,340)	(75,510,301)
Acquisitions of property, plant and equipment	(1,783,507,688)	(1,391,406,698)	(278,630,206)	(158,911,865)
Increase in right-of-use assets	(55,671,925)	-	(56,324,927)	-
Acquisitions of intangible assets	(5,012,630)	(6,336,111)	(1,844,554)	(3,390,549)
Proceed from disposal of equipment	850,381	5,997,156	-	5,605,140
Cash receipt from receivable under lease agreement	5,317,241	-	-	-
<b>Net cash flows from (used in) investing activities</b>	<b>(2,065,398,356)</b>	<b>(1,405,792,884)</b>	<b>(630,924,648)</b>	<b>375,551,079</b>
<b>Cash flows from financing activities</b>				
Repayment of liabilities under finance lease agreements	(96,381,395)	(10,555,511)	(30,922,094)	(18,494,545)
Cash receipt from long-term loans	1,496,811,046	1,414,388,162	-	-
Repayment of long-term loans	(383,771,000)	(326,176,000)	(321,440,000)	(185,720,000)
Repayment of long-term liabilities under rehabilitation plan	(3,725,774)	(3,921,766)	-	-
Cash receipt from debenture	998,292,195	-	998,292,195	-
Interest paid	(330,771,261)	(299,965,104)	(116,489,384)	(91,794,271)
Dividend paid	(650,229,450)	(873,353,470)	(650,229,450)	(873,353,470)
Dividend paid to non-controlling interests of subsidiaries	(27,324,863)	(60,722,500)	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>1,002,899,498</b>	<b>(160,306,189)</b>	<b>(120,788,733)</b>	<b>(1,169,362,286)</b>
Unrealised gain on exchange for cash and cash equivalents	(2,168)	45,331	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(621,868,538)</b>	<b>(77,953,408)</b>	<b>(578,125,210)</b>	<b>255,760,021</b>
Cash and cash equivalents at beginning of year	1,426,488,303	1,504,441,711	982,412,848	726,652,827
<b>Cash and cash equivalents at end of year</b>	<b>804,619,765</b>	<b>1,426,488,303</b>	<b>404,287,638</b>	<b>982,412,848</b>

The accompanying notes are an integral part of the financial statements.

## Cash flow statement (continued)

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Supplemental cash flow information:</b>				
Non-cash transactions				
Increase in vehicles under finance lease agreements	-	10,949,347	-	8,960,629
Increase in right-of-use assets under lease agreements	18,167,714	-	16,195,444	-
Write-off vehicles with liabilities under finance lease agreements	1,476,038	1,703,658	1,476,038	11,503,658
Transfer advance payment for construction to property, plant and equipment	105,805,152	186,860,636	24,000,000	62,383,382
Increase in construction and equipment payables	65,295,197	156,096,157	56,267,893	60,598,735
Increase in intangible asset payables	224,486	205,761	185,966	52,751

The accompanying notes are an integral part of the financial statements.

## Notes to consolidated financial statements

Bangkok Aviation Fuel Services Public Company Limited and its subsidiaries For the year ended 31 December 2020

### 1. General information

#### 1.1 General information of the Company

Bangkok Aviation Fuel Services Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the aviation fuel service. The registered office of the Company is at 171/2 Kamphang Phet 6 Road., Don Mueang, Khet Don Mueang, Bangkok.

#### 1.2 Coronavirus disease 2019 Pandemic

A second wave of the Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. This situation significantly affects the Company and its subsidiaries’s business activities in terms of service income, and this is significantly impacting the Company and its subsidiaries’s financial position, operating results, and cash flows, including compliance with debt covenants at present and is expected to do so in the future. The Company and its subsidiaries’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

### 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Bangkok Aviation Fuel Services Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 Percent	2019 Percent
Intoplane Services Co., Ltd.	Intoplane service	Thailand	83.33	83.33
Thai Aviation Refuelling Co., Ltd.	Hydrant network services	Thailand	90.00	90.00
Fuel Pipeline Transportation Ltd.	Fuel pipeline transportation services	Thailand	75.00	75.00
BAFS Innovation Development Co., Ltd.	Study, design, research and development, production and product distribution.	Thailand	100.00	100.00
BAFS Intech Co., Ltd.	Assembly and maintenance of hydrant dispensers	Thailand	90.00	90.00
BAFS Clean Energy Corporation Co., Ltd.	Investing or joint - investing in the projects relating to renewable energy and environmental	Thailand	100.00	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within shareholder equity in the consolidated statement of financial position.

- 2.3 The separate financial statements present investments in subsidiaries, joint venture and associate under the cost method.

### 3. New financial reporting standards

#### a) Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

#### Financial reporting standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

These standards do not have any significant impact on the Company and its subsidiaries' financial statements.

## **TFRS 16 Leases**

TFRS 16 supersedes TAS 17, Leases, together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Company and its subsidiaries recognised the cumulative effect of the adoption of this financial reporting standard of which the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

## **Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic**

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Company and its subsidiaries elected to apply the temporary relief measures on accounting alternatives relating to impairment of assets and reversal of deferred tax assets.

In the fourth quarter of 2020, the Company and its subsidiaries have assessed some of the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, including deferred tax assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Company and its subsidiaries have decided to discontinue application of the temporary relief measures on accounting alternatives relating to not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets, and in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised. This has no significant impact on the Company and its subsidiaries' financial statements.

However, the Company and its subsidiaries have elected to apply the following temporary relief measures on accounting alternatives:

- Not to account for any reduction in lease payments by lessors resulting from the COVID-19 situation as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.

The Company and its subsidiaries are evaluating the impact on the financial statements and will consider recording the impact after the relief measures expire.

**b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021**

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company and its subsidiaries are currently evaluating the impact of these standards to the financial statements in the year when they are adopted

**4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards**

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiaries have adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was not restated.

The impacts from changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:



(Unit: Thousand Baht)

Consolidated financial statements				
The effect of				
Financial reporting standards related				
	31 December 2019	to financial instruments	The impacts of TFRS 16	1 January 2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Current investments	611,995	(611,995)	-	-
Current portion of lease receivable	-	-	5,331	5,331
Other current financial assets	50,772	611,995	-	622,767
<b>Non-current assets</b>				
Long-term investment	1,999	(1,999)	-	-
Lease receivable, net of current portion	-	-	197,966	197,966
Property, plant and equipment	12,696,981	-	(114,844)	12,582,137
Right-of-use assets	-	-	1,341,302	1,341,302
Right to use assets under lease agreements	27,712	-	(27,712)	-
Other non-current financial assets	-	1,999	-	1,999
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Current portion of lease liabilities	(10,474)	-	(27,642)	(38,116)
<b>Non-current liabilities</b>				
Lease liabilities, net of current portion	(15,097)	-	(1,374,401)	(1,389,498)

(Unit: Thousand Baht)

Separate financial statements				
The effect of				
Financial reporting standards related				
	31 December 2019	to financial instruments	The impacts of TFRS 16	1 January 2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Current investments	212,626	(212,626)	-	-
Other current financial assets	15,258	212,626	-	227,884
<b>Non-current assets</b>				
Property, plant and equipment	2,263,461	-	(107,203)	2,156,258
Right-of-use assets	-	-	148,245	148,245
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Current portion of lease liabilities	(14,984)	-	(11,806)	(26,790)
<b>Non-current liabilities</b>				
Lease liabilities, net of current portion	(30,997)	-	(29,236)	(60,233)

## Leases

Upon initial application of TFRS 16 the Company and its subsidiaries recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Company and its subsidiaries' incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Company and its subsidiaries recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	566,431	105,579
Less: Short-term leases and leases of low-value assets	(83,872)	(80,279)
Add: Option to extend lease term and purchase option	1,941,911	20,697
Less: Contracts reassessed as service agreements	(10,117)	-
Less: Others	(14,667)	(143)
Less: Deferred interest expenses	(997,643)	(4,812)
Increase in lease liabilities due to TFRS 16 adoption	1,402,043	41,042
Liabilities under finance lease agreements as at 31 December 2019	25,571	45,981
Lease liabilities as at 1 January 2020	1,427,614	87,023
Weighted average incremental borrowing rate (percent per annum)	3.03 - 4.59	3.90 - 4.55
Comprise of:		
Current lease liabilities	38,116	26,790
Non-current lease liabilities	1,389,498	60,233
	1,427,614	87,023

## **5. Significant accounting policies**

### **5.1 Revenue and expense recognition**

#### *Rendering of services*

Service revenue is recognised when services have been rendered and represents the invoice value, excluding value added tax.

#### *Interest income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### *Finance cost*

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### *Dividend income*

Dividends are recognised when the right to receive the dividends is established.

### **5.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **5.3 Inventories**

Spare parts are valued at the lower of cost (first-in, first-out method) and net realisable value and are charged to costs of service whenever consumed.

### **5.4 Investments in subsidiaries, joint venture and associates**

Investments in joint venture and associate are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method.

## 5.5 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less allowance for loss on impairment (if any).

No depreciation is provided for land classified as investment property.

On disposal of investment property, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

## 5.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	5-20 years
Furniture, fixtures and office equipment	-	3-15 years
Main depot facilities	-	lease period, 5-40 years
Hydrant equipment	-	5-20 years
Intoplane substation	-	5-20 years
Vehicle fleet and motor vehicle	-	5-20 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress and equipment under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

## 5.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 5.9 Project costs under concession agreements and amortisation method

The project costs under concession agreements are stated at cost less accumulated amortisation and allowance for loss on impairment of project costs (if any).

Amortisation of project costs is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Hydrant equipment	- Concession period (30 years)
Equipment, building and intoplane substation	- Concession period (20 years)
Concession of a subsidiary	- Concession period (30 years)
Right to use lease land related to concession agreement	- Rental agreement period (20 years)

Amortisation is included in profit or loss.

## 5.10 Leases

At inception of contract, the Company and its subsidiaries assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### The Company and its subsidiaries as a lessee

#### Accounting policies adopted since 1 January 2020

The Company and its subsidiaries applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company and its subsidiaries recognise right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

#### **Right-of-use assets**

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	6 years 9 months - 39 years 5 months
Buildings	3 years - 20 years
Machinery and equipment	1 year 3 months - 2 years 5 months
Motor vehicles	1 year 2 months - 4 years 4 months

If ownership of the leased asset is transferred to the Company and its subsidiaries at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiaries and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company and its subsidiaries discounted the present value of the lease payments by the interest rate implicit in the lease or the Company and its subsidiaries's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### ***Accounting policies adopted before 1 January 2020***

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

## **The Company and its subsidiary as a lessor**

### *Finance Lease*

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

### *Operating Lease*

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

## **5.11 Intangible assets**

Intangible assets, which are computer software, are stated at cost less accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss on a straight-line basis over the economic useful lives of 3 to 10 years.

## **5.12 Related party transactions**

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that give them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the Company and its subsidiaries' operations.



### 5.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

### 5.14 Impairment of assets of non-financial assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment, project cost under concession agreement, right-of-use asset, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

### 5.15 Provision for land lease related to concession agreement

The Company records provision for land lease related to concession agreement based on the present value of future rental payment obligations for land used in the provision of service under the concession agreement.

## **5.16 Employee benefits**

### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

### ***Post-employment benefits and other long-term employee benefits***

#### ***Defined contribution plans***

The Company and its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

#### ***Defined benefit plans and other long-term employee benefits***

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiaries provide other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income and from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the date, the employee benefit plan is amended.

## **5.17 Provisions**

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## 5.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

### Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## 5.19 Financial instruments

### Accounting policies adopted since 1 January 2020

The Company and its subsidiaries initially measure financial assets at their fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company and its subsidiaries's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Company and its subsidiaries measure financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company and its subsidiaries have not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company and its subsidiaries's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company and its subsidiaries take into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company and its subsidiaries have transferred substantially all the risks and rewards of the asset, or the Company and its subsidiaries have neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Company and its subsidiaries recognise an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company and its subsidiaries expect to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company and its subsidiaries consider a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company and its subsidiaries may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Company and its subsidiaries apply a simplified approach in calculating ECLs. Therefore, the Company and its subsidiaries do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### *Accounting policies adopted before 1 January 2020*

#### **Trade accounts receivable**

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

## Investments

Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective interest rate method with the amortised/accreted amount presented as an adjustment to the interest income.

The weighted average method is used for computation of the cost of investments.

### 5.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

## **Leases**

### ***Determining the lease term with extension and termination options - The Company and its subsidiaries as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Company and its subsidiaries are reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company and its subsidiaries to exercise either the extension or termination option.

### ***Estimating the incremental borrowing rate - The Company and its subsidiaries as a lessee***

The Company and its subsidiaries cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating their incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company and its subsidiaries would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### ***Lease classification - The Company and its subsidiaries as lessor***

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### ***Allowance for expected credit losses of trade receivables***

In determining an allowance for expected credit losses of trade, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company and its subsidiaries's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### ***Equipment/Depreciation***

In determining depreciation of equipment, the management is required to make estimates of the useful lives and residual values of equipment and to review estimate useful lives and residual values when there are any changes.

The managements is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.



### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

### **Post-employment benefits under defined benefit plans and other long-term employee benefits**

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### **Litigation**

A subsidiary has contingent liabilities as a result of litigation. The management of the subsidiary has used judgement to assess the outcome of the litigation and believe that no losses will be incurred. The subsidiary has therefore not recorded provision as at the end of reporting period.

## **7. Related party transactions**

During the year, the Company and its subsidiaries had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and its subsidiaries and those related parties. The Company and its subsidiaries have the following policy on pricing for their related transactions.

1. Service expenses paid to the subsidiary are based on the actual service provided and expenses incurred.
2. Rental charge for an office building from subsidiaries is based on the every year increase and every-3-year increase in the average rate of CPI by the minimum rate of 5 percent but is not exceeding 7 percent from the latest rental charge.
3. Rental charge for receiving pipeline system from subsidiary is based on the contract price between the parties.
4. Interest on loan is charged at the rate of MLR-1.25 percent per annum.
5. Service income is based on the contract price between the parties.

6. Rental charge for receiving pipeline system from subsidiaries is charged at the rate of 21.50 percent of the annual income received (before discounts and relevant tax) from the transportation of the fuel, JET A-1, via the pipeline system.
7. Rental charges for land is based on rental expense paid to Treasury Department on cost plus margin.
8. Rental charge for land and building including utilities at Suvarnabhumi and Don Mueang aviation fuel storage station to a related company is based on a fixed rate and every 3 years increase 7-10 percent of the latest rental and service charge throughout the 3 years lease agreement. Rental charge for other land at the rate stipulated in the agreement.
9. The Company has to pay a concession fee for Into-plane service at Suvarnabhumi Airport at the rate stipulated in the agreement.
10. The subsidiary has to pay a concession fee for Hydrant network system at a rate stipulated in the agreement of the subsidiary's income before deducting expenses.
11. The Company and its subsidiaries have to pay the rental fee for land and space at a rate stipulated in the agreement.
12. The Company has to pay a concession fee for pipeline system at Don Mueang Airport. The rental charge is based on the every year increase in the rate of CPI.
13. Land rental and utility expenses paid to related company at an agreed price.
14. Purchase of hydrant dispensers and equipment from subsidiary, determined based on cost plus margin.
15. Dividend income is based on the resolution of the Annual General Meeting of shareholders of subsidiaries.
16. Sales income for assembly and maintenance of hydrant dispensers from related party is based on cost plus margin.
17. Maintenance cost for hydrant dispensers is based on cost plus margin.

Significant transactions between the Company and its subsidiaries and related parties are as follows.

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	2020	2019	2020	2019	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Office building and land rental income	-	-	21	18	(2) (7)
Pipeline receiving system rental income	-	-	11	27	(3) (6)
Dividend income	-	-	246	546	(15)
Interest income	-	-	7	9	(4)
Other income	-	-	26	31	(5)
Service expenses	-	-	11	12	(1)
Purchase of hydrant dispensers	-	-	-	131	(14)
Purchase of equipment for hydrant dispensers	-	-	1	2	(14)
Maintenance cost for hydrant dispensers	-	-	4	1	(17)
Assembly cost for hydrant dispensers	-	-	7	-	(17)
<b><u>Transactions with related companies</u></b>					
Service income	1,769	3,868	949	2,482	(5)
Land and certain structures rental and utilities income	27	12	13	12	(8)
Sales of hydrant dispensers	-	4	-	-	(16)
Maintenance cost	-	1	-	-	(16)
Other income	21	12	15	8	(5)
Land and utilities expenses	4	4	-	-	(13)
Airport concession fee expenses - Into-plane service	96	254	96	254	(9)
Airport concession fee expenses - Hydrant network system	5	13	-	-	(10)
Space and land rental expenses	19	30	18	26	(11)
Pipeline system rental expenses	26	32	26	32	(12)

The balances of the accounts as at 31 December 2020 and 2019 between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b><u>Trade accounts receivable - related parties (Note 9)</u></b>				
Related companies				
(shareholder or common shareholder or representative director)	174,085	387,662	117,446	309,158
<b><u>Other receivables - related parties (Note 9)</u></b>				
Subsidiary companies	-	-	4,340	4,189
Related companies				
(shareholder or common shareholder or representative director)	2,287	527	-	127
Total other receivables - related parties	2,287	527	4,340	4,316
<b><u>Lease receivable (Note 17)</u></b>				
Related company				
(shareholder or common shareholder or representative director)	197,326	-	-	-
Less: Current portion	(5,459)	-	-	-
Lease receivable - net of current portion	191,867	-	-	-
<b><u>Other current - assets</u></b>				
Related company				
(shareholder or common shareholder or representative director)	-	1,385	-	-
<b><u>Long-term loan to and receivable from related party</u></b>				
Subsidiary company				
Fuel Pipeline Transportation Limited	-	-	187,537	149,117
Less: Current portion	-	-	(71,580)	(71,580)
Long-term loan to and receivable from related party				
- net of current portion	-	-	115,957	77,537

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>Trade accounts payable - related parties (Note 19)</u></b>				
Related companies				
(shareholder or common shareholder or representative director)	17,997	51,085	12,154	36,491
<b><u>Other payables - related parties (Note 19)</u></b>				
Subsidiary companies	-	-	18,055	92,393
Related companies				
(shareholder or common shareholder or representative director)	1,591	319	1,526	270
Total other payables - related parties	1,591	319	19,581	92,663
<b><u>Lease Liabilities - related party (Note 17)</u></b>				
Subsidiary company	-	-	21,887	28,456
Related companies				
(shareholder or common shareholder or representative director)	95,597	-	21,233	-
Total lease liabilities	95,597	-	43,120	28,456
Less: current portion of lease liabilities	(5,123)	-	(25,236)	(6,569)
Lease liabilities, net of current portion	90,474	-	17,884	21,887
<b><u>Long-term liabilities under rehabilitation plan (Note 21)</u></b>				
Related company (shareholder)	3,815	7,541	-	-
<b><u>Provision for land lease related to concession agreement (Note 22)</u></b>				
Related company (shareholder)				
Provision for land lease related to concession agreement				
- current portion	4,678	4,344	4,678	4,344
Provision for land lease related to concession agreement				
- net of current portion	28,334	33,011	28,334	33,011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>Other non-current liabilities</u></b>				
Related company (shareholder or representative director)	13,744	13,744	-	-

The movement of long-term loan to and receivable from related party during the year ended 31 December 2020 was as follows:

(Unit: Thousand Baht)

	Separate financial statements		
	Balance as at 1 January 2020	Increase (decrease) during the year	Balance as at 31 December 2020
Long-term loan to and receivable from			
Fuel Pipeline Transportation Limited			
Loans from debt restructuring	26,446	(12,695)	13,751
Loans from purchase of debts	122,671	(58,885)	63,786
Increase in loan	-	110,000	110,000
Total	149,117	38,420	187,537
Less: current portion	(71,580)	-	(71,580)
Net of current portion	77,537	38,420	115,957

During the year, the Company entered into a loan agreement to Fuel Pipeline Transportation Limited (a subsidiary) providing a credit facility of Baht 300 million. The full repayment of principal is to be made in the year following the final year of loan repayment to bank but no later than 31 December 2034. Interest is payable monthly at MLR minus a fixed percentage per annum.

The loans are secured by mortgage of the multi-product pipeline system and main depot facilities of Fuel Pipeline Transportation Limited as collateral under the terms of rehabilitation plan.

### **Directors and management's remuneration**

During the years ended 31 December 2020 and 2019, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	94,965	159,018	43,586	83,288
Post-employment benefits	15,793	16,299	9,903	9,743
Other long-term benefit	94	74	22	11
Total directors and managements remuneration	110,852	175,391	53,511	93,042

### **8. Cash and cash equivalents**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash on hand	612	293	309	84
Deposit with banks and financial institutions	804,008	345,375	403,979	101,242
Government bonds and promissory note	-	1,080,820	-	881,087
Total cash and cash equivalents	804,620	1,426,488	404,288	982,413

As at 31 December 2020, bank deposits in saving accounts and fixed deposits carried interests between 0.05 and 0.44 percent per annum (2019: bank deposits in saving accounts, fixed deposits, governments bonds and promissory note carried interest between 0.10 and 1.20 percent per annum).

### **9. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables</u>				
Related parties (Note 7)	174,085	387,662	117,446	309,158
Unrelated parties	8,154	-	-	-
Less: Allowance for expected credit losses	(28,739)	-	(22,219)	-
Total trade receivables	153,500	387,662	95,227	309,158



	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Other receivables</u>				
Related parties (Note 7)	2,287	527	4,340	4,316
Unrelated parties	3,154	72	-	-
Total other receivables	5,441	599	4,340	4,316
Total trade and other receivables	158,941	388,261	99,567	313,474

All trade receivable balances of the Company and its subsidiaries are within their credit terms except a trade receivable of the Company of Baht 22 million and of a subsidiary of Baht 7 million have aged on the basis of due dates for 9 months and 4 months, respectively.

#### 10. Other current financial assets

Details of other current financial assets of the Company and its subsidiaries as at 31 December 2020 are as follows:

	(Unit: Thousand Baht)	
	31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
<u>Debt instruments at amortised cost</u>		
Fixed deposit	90,000	90,000
Restricted bank deposits	387,227	-
Restricted government bond	249,995	-
Other short-term investments	13,791	1,000
Others	86,163	53,412
Total other current financial assets	827,176	144,412

A subsidiary has pledged government bond and bank deposits totaling approximately Baht 322 million to a bank as collateral, in accordance with an agreement to pledge rights in bank deposits and government bond as business collateral under the terms of a loan agreement with the bank, as mentioned in Note 20 of consolidated financial statements.

Restricted bank deposit of the subsidiary amounting to Baht 315 million is bank deposit with guarantee obligation under the share purchase agreement with a company. The relevant details are disclosed in note to financial statements no. 34.

As of 31 December 2020, the Company has fixed deposit of Baht 90 million with a bank to use for support of “The employee housing loan project” which the Company’s employees who participate in the project will have privileges on the interest rate at below the market rate. However, the Company is able to withdraw the deposit to use in its normal business operations, and then the interest rate of the employees’ loans will be adjusted to the market rate.

## 11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)				
Fuel Pipeline Transportation Ltd.	3,660,664	3,660,667	75.00	75.00	3,155,499	3,155,502	-	-
Intoplane Services Co., Ltd.	120	120	83.33	83.33	100	100	-	-
Thai Aviation Refuelling Co., Ltd.	530,000	530,000	90.00	90.00	1,235,000	1,235,000	243,222	546,499
BAFS Innovation Development Co., Ltd.	70,000	5,000	100.00	100.00	70,000	5,000	-	-
BAFS Intech Co., Ltd.	60,000	60,000	90.00	90.00	54,000	54,000	2,700	-
BAFS Clean Energy Corporation Co., Ltd.	500,000	-	100.00	-	500,000	-	-	-
<b>Total investments in subsidiaries</b>					<b>5,014,599</b>	<b>4,449,602</b>	<b>245,922</b>	<b>546,499</b>

On 26 February 2020, the Company’s Board of Directors Meeting no. 1/2020 passed a resolution to approve the incorporation of BAFS Clean Energy Corporation Company Limited, in which the Company’s interest is 100 percent, with a registered capital of Baht 500 million (5,000,000 ordinary shares of Baht 100 each). BAFS Clean Energy Corporation Company Limited called up the first and the second tranches of the share capital, which was 25 percent and 75 percent of the total capital, or Baht 125 million and 375 million, respectively. The Company paid in share capital in proportion to the Company’s interest, totaling Baht 500 million, in March and November 2020.

On 23 April 2020, an Annual General Meeting of the shareholders of BAFS Innovation Development Company Limited (a subsidiary) passed a resolution to increase its registered share capital by Baht 65 million (650,000 ordinary shares of Baht 100 each), with the full amount to be called up and the share to be allocated in proportion to existing shareholdings. The Company paid in its share capital in April 2020.

On 18 May 2020, Fuel Pipeline Transportation Limited (a subsidiary) registered the cancellation of all of its 796 preferred shares and has returned the preferred share capital to the shareholders based on the book value, and in proportion to the existing shareholdings.

## 12. Investment in joint venture

### 12.1 Details of investment in joint venture

Investment in joint venture represent investment in entity which are jointly controlled by a subsidiary and other companies. Details of this investment are as follows:

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
SDLT Company Limited	Design and develop processing technology	Thailand	45.00	-	18,000	-	15,029	-
Total					18,000	-	15,029	-

### 12.2 Share of profit (loss)

During the year, a subsidiary recognised its share of profit (loss) from investment in the joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements	
	Share of loss from investment in joint venture during the year	
	2020	2019
SDLT Company Limited	(2,971)	-
Total	(2,971)	-

On 7 April 2020, a meeting of the Board of Directors of BAFS Innovation Development Company Limited (a subsidiary) passed a resolution to approve a joint investment in order to incorporate SDLT Company Limited with a registered capital of Baht 40 million (400,000 ordinary shares of Baht 100 each). The subsidiary's interest in this company is 45 percent or 180,000 ordinary shares, and the subsidiary paid in share capital in proportion to its interest, amounting to Baht 18 million, in June and July 2020.

### 13. Investment in associates

On 29 July 2020, the subsidiary invested in ordinary shares of P.S. Solution and Consulting Co., Ltd., which was incorporated in Thailand totaling Baht 29.7 million. The subsidiary had a 30% interest in such company.

The fair value of the identifiable assets and liabilities of P.S. Solution and Consulting Co., Ltd. as at the acquisition date are presented below.

		(Unit: Thousand Baht)
Cash and cash equivalents		6,544
Other current assets		20,792
Non-current assets		15,154
Current liabilities		(31,813)
Non-current liabilities		(944)
Total net assets of P.S. Solution and Consulting Co., Ltd.		9,733
Net assets of P.S. Solution and Consulting Co., Ltd. in the proportion of investment (30%)		2,920
Cash paid for acquisition of investment in P.S. Solution and Consulting Co., Ltd.		29,700
Goodwill from business acquisition		26,780

#### 13.1 Details of associates

(Unit: Thousand Baht)								
Consolidated financial statements								
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
BPTG Company Limited	Petrol stations	Thailand	40.00	40.00	40,000	40,000	39,755	38,947
P.S. Solutions and Consulting Company Limited	Wholesale and retail of computers and accessories	Thailand	30.00	-	29,700	-	30,053	-
Total					69,700	40,000	69,808	38,947

(Unit: Thousand Baht)							
Separate financial statements							
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Carrying amounts based on cost method		
			2020	2019	2020	2019	
			(%)	(%)			
BPTG Company Limited	Petrol stations	Thailand	40.00	40.00	40,000	40,000	
Total					40,000	40,000	

### 13.2 Share of profit (loss)

During the year, the Company and its subsidiary have recognised their share of profit (loss) from investments in associate companies in the consolidated financial statements as follows:

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		Share of profit (loss) from investments in associates during the year	
Associates		2020	2019
BPTG Company Limited		808	(1,035)
P.S. Solutions and Consulting Company Limited		353	-
Total		1,161	(1,035)

### 13.3 Summarised financial information about material associates

Summarised information about financial position

		(Unit: Thousand Baht)	
		BPTG Company Limited	
		2020	2019
Current assets		49,599	42,776
Non-current assets		59,900	63,925
Current liabilities		(6,831)	(6,112)
Non-current liabilities		(3,280)	(3,221)
<b>Net assets</b>		<b>99,388</b>	<b>97,368</b>
Shareholding percentage (%)		40	40
<b>Carrying amountsof associates based on equity method</b>		<b>39,755</b>	<b>38,947</b>

Summarised information about profit (loss)

		(Unit: Thousand Baht)	
		For the year ended 31 December	
		BPTG Company Limited	
		2020	2019
Revenues		168,586	69,047
Profit (loss)		2,020	(2,588)

#### **14. Investment property**

The investment property represents land held for rent that is located in Chiangmai Province and is presented at cost. The fair value of the land as at 31 December 2020 was Baht 51 million, and was determined based on the valuation performed by an independent valuer, using the income approach. Key assumptions used in the valuation included long-term growth in rental rate, growth rate of market value of land held for rent and discount rate.

## 15. Property, plant and equipment

[illegible]



(Unit: Thousand Baht)

**Separate financial statements**

	Land and land improvement	Furniture, fixtures and office equipment	Main depot facilities	Hydrant equipment	Intoplane substation	Vehicle fleet and motor vehicle	Motor vehicles under finance lease agreements	Construction in progress/ equipment under installation	Total
<b>Cost:</b>									
1 January 2019	160,806	254,399	4,108,483	38,833	263,961	1,060,797	100,553	68,355	6,056,187
Additions	-	4,560	64	-	-	-	8,960	276,581	290,165
Transfer in (out)	-	8,784	12,026	8,000	11,903	58,623	-	(99,336)	-
Disposals	-	(3,890)	(419)	-	(89)	(18,416)	(31,135)	-	(53,949)
31 December 2019	160,806	263,853	4,120,154	46,833	275,775	1,101,004	78,378	245,600	6,292,403
Additions	-	2,399	122	-	6	-	-	356,371	358,898
Transfer in (out)	-	17,236	3,704	-	2,151	113,350	-	(136,441)	-
Adjustment during year due to TFRS16 - cost	-	-	-	-	-	-	(78,378)	(62,383)	(140,761)
31 December 2020	160,806	283,488	4,123,980	46,833	277,932	1,214,354	-	403,147	6,510,540
<b>Accumulated depreciation:</b>									
1 January 2019	-	208,666	2,532,822	27,021	216,318	787,730	38,222	-	3,810,779
Depreciation for the year	-	16,344	177,973	1,288	6,774	43,047	14,968	-	260,394
Depreciation on disposals	-	(3,740)	(418)	-	(50)	(18,391)	(19,632)	-	(42,231)
31 December 2019	-	221,270	2,710,377	28,309	223,042	812,386	33,558	-	4,028,942
Depreciation for the year	-	13,592	176,263	2,018	7,062	54,328	-	-	253,262
Adjustment during year due to TFRS16 - cost	-	-	-	-	-	-	(33,558)	-	(33,558)
31 December 2020	-	234,862	2,886,640	30,327	230,104	866,714	-	-	4,248,646
<b>Net book value:</b>									
31 December 2019	160,806	42,583	1,409,777	18,524	52,733	288,618	44,820	245,600	2,263,461
31 December 2020	160,806	48,626	1,237,340	16,506	47,829	347,640	-	403,147	2,261,894
<b>Depreciation for the year</b>									
2019 (Baht 244 million included in cost of service and the balance in administrative expenses)									260,394
2020 (Baht 240 million included in cost of service and the balance in administrative expenses)									253,262

As at 31 December 2020, the subsidiaries had an outstanding balance of construction in progress of the main depot facilities, hydrant equipment and pipeline of approximately Baht 5,506 million (2019: Baht 3,836 million). Construction has been financed with loans from financial institutions and borrowing costs totaling approximately Baht 115 million were capitalised during the year ended 31 December 2020 (2019: Baht 133 million). The weighted average rates of 1.98% to 4.75% have been used to determine the amount of borrowing costs eligible for capitalisation.

As at 31 December 2020, certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2,057 million (2019: Baht 2,011 million) (Separate financial statements: Baht 1,949 million, (2019: Baht 1,907 million)).

Under the lease agreement, the lessor will assume legal ownership of the equipment and buildings erected on the leased state-owned land upon termination of the agreement.

As at 31 December 2020, Fuel Pipeline Transportation Limited (a subsidiary), has mortgaged the multi-product pipeline system and main depot facilities with net book value of Baht 114 million (2019: Baht 211 million) to secure long-term liabilities under the rehabilitation plan and mortgaged land and structures thereon, pipeline system and equipment thereon with net book values of Baht 10,581 million (2019: Baht 8,919 million) to secure long-term loans.

BAFS Intech Company Limited (a subsidiary) has mortgaged land and structures thereon with net book values as at 31 December 2020 of Baht 92 million (2019: Baht 95 million) to secure long-term loan.

## 16. Project costs under concession agreements

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements		
	Equipment, building and intoplane substation	Hydrant equipment	Concession of a subsidiary	Right to use leased land related to concession agreement	Total	Equipment, building and intoplane substation	Right to use leased land related to concession agreement	Total
<b>Cost</b>								
As at 31 December 2019	227,548	1,707,201	768,006	69,889	2,772,644	227,548	69,889	297,437
As at 31 December 2020	227,548	1,707,201	768,006	69,889	2,772,644	227,548	69,889	297,437
<b>Accumulated amortisation</b>								
As at 1 January 2019	139,513	697,844	313,865	42,807	1,194,029	139,513	42,807	182,320
Amortisation for the year	11,158	56,906	25,600	3,495	97,159	11,158	3,495	14,653
As at 31 December 2019	150,671	754,750	339,465	46,302	1,291,188	150,671	46,302	196,973
Amortisation for the year	11,158	56,906	25,601	2,183	95,848	11,158	2,183	13,341
Adjustment due to the election to apply the Temporary Relief Measures for Accounting Alternative	-	-	-	1,311	1,311	-	1,311	1,311
As at 31 December 2020	161,829	811,656	365,066	49,796	1,388,347	161,829	49,796	211,625
<b>Net book value</b>								
As at 31 December 2019	76,877	952,451	428,541	23,587	1,481,456	76,877	23,587	100,464
As at 31 December 2020	65,719	895,545	402,940	20,093	1,384,297	65,719	20,093	85,812

Under the Into-plane Service Agreement and the Permission for Performance Agreement of the fuel hydrant network at Suvarnabhumi Airport, made with Airports of Thailand Public Company Limited by the Company and a subsidiary, Thai Aviation Refuelling Company Limited, respectively, the Company is to transfer ownership of all equipment, buildings, related fixtures and construction to the Ministry of Finance immediately upon completion of construction, and the subsidiary is to transfer the Hydrant network to the Airports of Thailand Public Company Limited within 60 days before it begins operating the service. As of 31 December 2020, transfer of ownership under the two agreements is in progress.

The Company has invested in ordinary shares of Thai Aviation Refuelling Company Limited (a subsidiary), and the difference between the amount invested and the shareholders' equity of the subsidiary at the acquisition date has been recorded as "Concession of a subsidiary" and presented as "Project costs under concession agreements" in the consolidated statement of financial position. It is amortised on a straight-line basis over a period of 30 years, which is the term of the concession of the subsidiary, from 28 September 2006 until the agreement expires.

The Company initially recorded the rights to use lease land related to concession agreement at cost, equal to the present value of future rental payment obligations for land used in the provision of service under the concession agreement.

## 17. Lease

### 17.1 The Company and its subsidiaries as a lessee

The Company and its subsidiaries have lease contracts for various items of property, plant, and equipment used in their operations. Leases generally have lease terms between 1 - 40 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Building under construction	Total
1 January 2020	1,177,986	20,786	688	79,459	62,383	1,341,302
Additions	-	-	-	18,168	56,325	74,493
Depreciation for the year	(50,973)	(1,579)	(442)	(49,341)	-	(102,335)
Adjustment due to the election to apply the Temporary Relief Measures for Accounting Alternative	(4,018)	(217)	-	-	-	(4,235)
Write off-net	-	-	-	(1,476)	-	(1,476)
31 December 2020	1,122,995	18,990	246	46,810	118,708	1,307,749

(Unit: Thousand Baht)

Separate financial statements					
	Land and land improvement	Furniture, fixtures and office equipment	Motor vehicles	Building under construction	Total
1 January 2020	24,449	688	60,725	62,383	148,245
Additions	-	-	16,195	56,325	72,520
Depreciation for the year	(2,264)	(442)	(41,287)	-	(43,993)
Adjustment due to the election to apply the Temporary Relief Measures for Accounting Alternative	(1,358)	-	-	-	(1,358)
Write off - net	-	-	(1,476)	-	(1,476)
31 December 2020	20,827	246	34,157	118,708	173,938

Under a land rental agreement between the Airports of Thailand Public Company Limited and a subsidiary, Thai Aviation Refuelling Company Limited, the subsidiary is to transfer ownership of all buildings and construction on the leased land to the Ministry of Finance 3 years after the date of completion of the construction (30 September 2008). As of 31 December 2020, the subsidiary is in the process of transferring ownership in accordance with the agreement.

Under a land rental agreement between the Treasury Department and the Company, the Company is to transfer ownership of all buildings and construction on the leased land to the Ministry of Finance within 15 days after the date of completion of construction. As at 31 December 2020, the building is under construction.

## b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Related party (Note 7)</u>				
Lease payments	136,552	-	46,076	30,518
Less: Deferred interest expenses	(40,955)	-	(2,956)	(2,062)
Total	95,597	-	43,120	28,456
Less: Portion due within one year	(5,123)	-	(25,236)	(6,569)
Lease liabilities - net of current portion	90,474	-	17,884	21,887

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Unrelated parties</u>				
Lease payments	2,208,800	27,125	32,158	18,275
Less: Deferred interest expenses	(900,260)	(1,555)	(1,602)	(750)
Total	1,308,540	25,570	30,556	17,525
Less: Portion due within one year	(32,697)	(10,473)	(15,088)	(8,415)
Lease liabilities - net of current portion	1,275,843	15,097	15,468	9,110
Total				
Less: Portion due within one year	37,820	10,473	40,324	14,984
Lease liabilities - net of current portion	1,366,317	15,097	33,352	30,997

**c) Expenses relating to leases that are recognised in profit or loss**

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	106,570	45,351
Interest expense on lease liabilities	59,435	4,401
Expense relating to short-term leases	64,187	54,049
Expense relating to leases of low-value assets	6,660	3,237

**d) Others**

The Company and its subsidiaries had total cash outflows for leases for the year ended 31 December 2020 of Baht 166 million, including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Company and its subsidiaries had non-cash additions to right-of-use assets and lease liabilities of 18 million (Separate financial statements: Baht 16 million). The future cash outflows relating to leases that have not yet commenced are disclosed in Note 34.

**17.2 The subsidiary as a lessor**

The subsidiary has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2020 as follows:

(Unit: Thousand Baht)

	Consolidated financial statements
Within 1 year	5,459
Over 1 and up to 5 years	24,701
Over 5 years	167,166
Total	197,326

During the current year, the subsidiary had revenue from sublease of Baht 14 million.

## 18. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Computer software - at cost	114,983	111,347	94,549	92,949
Less: Accumulated amortisation	(88,379)	(78,509)	(73,831)	(64,565)
Net book value	26,604	32,838	20,718	28,384

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Book value at beginning year	32,838	37,078	28,384	34,132
Acquisitions during the year	5,237	7,230	2,031	4,132
Amortisation for the year	(11,041)	(11,470)	(9,267)	(9,880)
Adjustment during year	(430)	-	(430)	-
Book value at end of year	26,604	32,838	20,718	28,384

229

## 19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties (Note 7)	17,997	51,085	12,154	36,491
Trade payables - unrelated parties	22,783	18,913	6,025	6,202
Other payables - related parties (Note 7)	1,591	319	19,581	92,663
Other payables - unrelated parties	83,404	192,646	70,622	62,272
Accrued expenses	36,505	32,889	20,484	19,954
Total trade and other payables	162,280	295,852	128,866	217,582



## 20. Long-term loans

(Unit : Thousand Baht)

Loan	Credit line	Consolidated financial Statement		Separate financial Statement	
		2020	2019	2020	2019
<u>The Company</u>					
1	Baht 2,250 million	1,767,840	2,089,280	1,767,840	2,089,280
<u>The Subsidiaries</u>					
2	Baht 550 million	192,500	220,000	-	-
3	Baht 230 million	88,850	115,250	-	-
4	Part 1 - Baht 6,070 million	6,070,000	5,199,000	-	-
	Part 2 - Baht 1,100 million	634,000	-	-	-
5	Baht 17 million	9,115	13,171	-	-
6	Baht 70 million	65,625	70,000	-	-
Less: Prepaid financial fee		(8,189)	-	-	-
Total long-term loans		8,819,741	7,706,701	1,767,840	2,089,280
Less: Current portion		(421,988)	(526,271)	(321,440)	(321,440)
Long-term loans - net of current portion		8,397,753	7,180,430	1,446,400	1,767,840

Movement of the long-term loans account during the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2020	7,706,701	2,089,280
Add: Additional borrowings during year	1,505,000	-
Less: Repayment during year	(383,771)	(321,440)
Less: Prepaid financial fee	(8,189)	-
Balance as at 31 December 2020	8,819,741	1,767,840

Loan no. 1: Facility of Baht 2,250 million repayable in quarterly installments, starting from the 39<sup>th</sup> month after the date of the first drawdown. The Company first drew down from the credit facility on 12 May 2016 and interest is payable monthly, commencing from the month of the first drawdown, at fixed percentage per annum.

Loan no. 2: Principal is to be paid in quarterly installments of Baht 27.50 million, beginning in March 2017, and the loan matures on December 2021. Interest is payable monthly at 3-month BIBOR plus a fixed percentage per annum.

During the year, the subsidiary entered into a memorandum of understanding to amend the loan agreement with the bank, seeking a deferment of principal repayment of loan facilities for 12 months commencing from January to December 2020 and an extension of the repayment under the original agreement to 31 March 2023. The revised amounts of principal repayment are as follows:

- Repayment of Baht 6,875,000 for March 2021
- Repayment of Baht 13,750,000 for June 2021
- Repayment of Baht 20,625,000 for September 2021
- Quarterly installment repayment of Baht 27,500,000 for December 2021 to December 2022.
- Repayment of Baht 13,750,000 for March 2023.

Loan no. 3: Principal is to be paid in 105 monthly installments of Baht 2.20 million, beginning in October 2015, and the loan matures in May 2024. Interest is payable monthly at MLR minus a fixed percentage per annum. The loan is secured by savings and fixed deposits of the subsidiary of approximately Baht 10 million which are presented under the caption “Restricted bank deposits and government bond” in the consolidated statement of financial position.

Loan no. 4: Facilities of Baht 6,070 million and Baht 1,100 million repayable in 41 quarterly installments and 41 quarterly installments, respectively, beginning on 31 December 2020 and 2022, and fully paid within December 2030 and 2032, respectively. Interest is payable monthly at MLR minus a fixed percentage per annum.

During the year, the subsidiary entered into a memorandum of understanding to amend the loan agreement with the bank, revising terms and conditions regarding repayment under the original loan agreement for facilities of Baht 6,070 million to repayment of 48 quarterly installments beginning on 31 March 2022 and due in December 2033.

The loans are secured by the mortgage of the subsidiary’s land with existing and future structures thereon, and government bond of the subsidiary amounting to Baht 60 million, which are presented under “Restricted bank deposits and government bond” in consolidated statements of financial position. In addition, as mentioned in Note 10 to consolidated financial statements, the subsidiary has pledged government bond and bank deposits totaling approximately Baht 322 million to a bank as collateral, in accordance with a agreement to pledge rights in bank deposits and government bond as business collateral under the terms of this loan agreement with the bank.

Loan no.5: Facility of Baht 17 million repayable in 51 monthly installments of Baht 0.34 million, beginning in January 2019, and the loan matures in March 2023. Interest is payable monthly at fixed percentage per annum.

Loan no.6: Facility of Baht 70 million repayable in 32 quarterly installments of Baht 2.1875 million, starting from the 24<sup>th</sup> month after the date of the first drawdown. The subsidiary first drew down from the credit facility on 4 July 2018, and the loan matures on 2 July 2028. Interest is payable monthly, commencing from the month of the first drawdown, at MLR minus a fixed percentage per annum. The loan is secured by the mortgage of the subsidiary's land and existing and future structures thereon.

During the year, the subsidiary entered into a memorandum of understanding to amend the loan agreement with the bank, seeking a deferment of principal repayment of loan facility for 9 months commencing from January to September 2021. The revised amounts of principal repayment are as follows:

- Quarterly installment repayment of Baht 2,000,000 for October 2021 to October 2023
- Quarterly installment repayment of Baht 2,650,000 for January 2024 to January 2028
- Quarterly installment repayment of Baht 2,575,000 for April 2028

The long-term loan agreements contain several covenants which, among other things, require the Company and its subsidiaries to maintain certain debt-to-equity and debt service coverage ratios prescribed in the agreements. As at 31 December 2020, the Company and 2 subsidiaries were unable to maintain the required debt service coverage ratios. However, the Company and 2 subsidiaries have already received covenant waiver letters from the bank. Therefore; the status of the loans remain long-term loans.

As at 31 December 2020, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounted to Baht 469 million (2019: Baht 1,104 million).

## 21. Long-term liabilities under rehabilitation plan

Movements in the long-term liabilities under rehabilitation plan account of Fuel Pipeline Transportation Limited (a subsidiary) during the year ended 31 December 2020 and 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
Balance at beginning of year	7,541	11,462
Less: Repayment of long-term liabilities during the year	(3,726)	(3,921)
Balance at end of year	3,815	7,541
Less: Current portion	(3,530)	(3,726)
Long-term liabilities under rehabilitation plan - net of current portion	285	3,815

The subsidiary is required to settle outstanding long-term principal and interest liabilities under the rehabilitation plan in monthly installments, within a period of 10 years after the date on which the court approved the rehabilitation plan, with the first installment due on 31 October 2012. However, if the subsidiary has excess cash, it must use it to make early repayment of its outstanding debt to its creditors.

Payments of interest on long-term liabilities under the rehabilitation plan is to be made monthly, with the first payment due in the month following the month the Central Bankruptcy Court approved the plan.

The interest rates for 1 November 2016 onwards is at MLR - 1.25% per annum.

Long-term liabilities under the rehabilitation plan are secured by the mortgage of the subsidiary's multi-product pipeline system and main depot facilities. Moreover, the rehabilitation plan stipulates certain conditions which the subsidiary is required to comply.

## 22. Provision for land lease related to concession agreement

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	For the year ended 31 December	
	2020	2019
Provision for land lease related to concession agreement as at the beginning of year	37,355	41,473
Payment during year	(3,918)	(6,269)
Interest cost	1,214	2,151
Adjustment due to the election to apply the Temporary Relief Measures for Accounting Alternative	(1,639)	-
Provision for land lease related to concession agreement at the end of year	33,012	37,355
Less: Current portion	(4,678)	(4,344)
Provision for land lease related to concession agreement, net of current portion	28,334	33,011

## 23. Debentures

(Unit: Thousand Baht)

Life	Date of issue	Maturity date	Interest Rate (% per annum)	Consolidated/ Separate financial statements	
				30 September 2020	31 December 2019
10 years	7 February 2020	7 February 2030	2.75	1,000,000	-
Less: Deferred debenture issuing costs				(1,708)	-
Total				998,292	-

On 13 November 2019, the meeting of the Company's Board of Directors No. 4/2019 passed a resolution granting approval for the Company to issue Baht 1,000 million of senior unsecured registered debentures without a debenture holder's representative and bear interest at a rate of 2.75 percent per annum, payable semi-annually throughout the term of the debentures, to be offered for sales to institutional investor (PP-II) in accordance with the Notification of the Securities and Exchange Commission.

The Company is required to maintain certain debt-to-equity ratio based on the financial statements for each accounting year throughout the term of debenture at the rate prescribed.

## 24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensations payable to employees after they retire from the Company and its subsidiaries and other long-term employee benefits, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Provision for long-term employee benefits at the beginning of year</b>	1,134,891	982,952	952,459	829,979
Included in profit or loss:				
Current service cost	69,173	62,523	53,443	48,205
Interest cost	16,834	24,576	13,991	19,919
Past service costs	-	83,630	-	54,841
Actuarial loss from other long-term employee benefits	-	1,607	-	827
<b>Total</b>	<b>86,007</b>	<b>172,336</b>	<b>67,434</b>	<b>123,792</b>

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Included in other comprehensive income:				
Actuarial loss (gain) from post-employment benefits arising from				
Demographic assumptions changes	-	(2,323)	-	(1,875)
Financial assumptions changes	-	36,365	-	47,482
Experience adjustments	-	(6,070)	-	(3,056)
Total	-	27,972	-	42,551
Benefits paid	(58,042)	(48,369)	(51,581)	(43,863)
<b>Provision for long-term employee benefits at end of year</b>	<b>1,162,856</b>	<b>1,134,891</b>	<b>968,512</b>	<b>952,459</b>

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 84 million (The Company only: Baht 55 million) as a result. The Company and its subsidiaries reflected the effect of the change by recognising past service costs as expenses in the income statement of 2019.

The Company and its subsidiaries expect to pay Baht 88 million of long-term employee benefits during the next year (Separate financial statements: Baht 84 million) (2019: Baht 46 million, separate financial statements: Baht 39 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 6.94 - 28.12 years (Separate financial statements: 6.94 - 19.16 years) (2019: 6.94 - 28.12 years, separate financial statements: 6.94 - 19.16 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.51 - 1.72	1.51 - 1.72	1.51	1.51
Future salary increase rate	5 - 7.25	5 - 7.25	7 - 7.25	7 - 7.25
Staff turnover rate	0 - 15	0 - 15	0 - 5	0 - 5

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

(Unit: Million Baht)

As at 31 December 2020				
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(83)	95	(65)	73
Future salary increase rate	138	(124)	111	(101)
Staff turnover rate	(57)	20	(42)	16

(Unit: Million Baht)

As at 31 December 2019				
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(85)	97	(67)	76
Future salary increase rate	128	(116)	104	(95)
Staff turnover rate	(58)	21	(43)	16

## 25. Statutory reserve / Other reserve

### Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

### Other reserve

On 16 July 2020, the 2020 Annual General Meeting of Shareholders of the Company passed a resolution approving to set aside of its net profit for the year to the other reserve for investments of Baht 124 million, and general reserve of Baht 124 million (2562: other reserve for investments of Baht 94 million, and general reserve of Baht 94 million)



## 26. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Interest expenses on borrowings	203,283	168,469	105,077	92,360
Interest expenses on lease liabilities	60,480	3,275	5,281	5,191
Interest expenses on provision for long-term employee benefits	16,834	24,576	13,991	19,919
Commitment fee	486	-	486	-
<b>Total</b>	<b>281,083</b>	<b>196,320</b>	<b>124,835</b>	<b>117,470</b>

## 27. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Salaries and wages and other employee benefits	686,069	956,387	474,692	675,001
Depreciation and amortisation	793,885	644,674	319,863	284,927
Airport concession fees	101,325	267,420	96,254	254,256
Rental expenses from operating lease agreements	50,441	125,429	43,856	57,672
Consulting service expenses	63,228	33,612	20,678	26,369

## 28. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Current income tax:</b>				
Current income tax charge	21,047	292,839	418	190,808
Adjustment in respect of income tax of previous year	-	(132)	-	(132)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(108,733)	(31,902)	(53,963)	(15,694)
<b>Income tax reported in profit and loss</b>	<b>(87,686)</b>	<b>260,805</b>	<b>(53,545)</b>	<b>174,982</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to actuarial losses	-	5,516	-	8,510
	-	5,516	-	8,510

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit (loss) before tax	(506,574)	1,228,180	(27,638)	1,411,628
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(101,315)	245,636	(5,528)	282,326
Adjustment in respect of income tax of previous year	418	(132)	418	(132)
Effect of preparing the consolidated financial statements	2,624	15,619	-	-
Unrecognised deferred tax on unused tax loss	11,182	64	-	-
Utilised unrecognized deferred tax on unused tax loss from prior year	(218)	(1,574)	-	-
Effects of:				
Dividends received are excluded from taxable profit	-	-	(49,184)	(109,300)
Non-deductible expenses	3,419	4,986	2,132	3,879
Additional expense deductions allowed	(4,522)	(3,086)	(1,383)	(1,791)
Others	726	(708)	-	-
Total	(377)	1,192	(48,435)	(107,212)
Income tax reported in profit and loss	(87,686)	260,805	(53,545)	174,982

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2020	2019	2020	2019
<b>Deferred tax assets</b>				
Allowance for expected credit losses	5,748	-	4,443	-
Provision for long-term employee benefits	232,239	226,712	193,662	190,492
Difference between right to use leased land and provision for land lease related to concession agreements	2,650	2,753	2,650	2,753
Lease agreements	14,447	-	3,428	-
Unused tax loss	88,104	6,104	42,163	-
Others	387	6,948	-	-
<b>Total</b>	<b>343,575</b>	<b>236,413</b>	<b>246,346</b>	<b>193,245</b>
<b>Deferred tax liabilities</b>				
Deferred interest received	(76)	(954)	(76)	(954)
Surplus on revaluation of assets from acquisition of subsidiary	(557)	(1,267)	-	-
Others	(188)	(172)	(188)	(172)
<b>Total</b>	<b>(821)</b>	<b>(2,393)</b>	<b>(264)</b>	<b>(1,126)</b>
<b>Net</b>	<b>342,754</b>	<b>234,020</b>	<b>246,082</b>	<b>192,119</b>

## 29. Promotional privileges

The subsidiary was granted promotional privileges by the Board of Investment under the Thai Investment Promotion Act B.E. 2520, for the manufacture of intoplane equipment, under certificate No. 62-1009-1-00-1-0, dated 13 September 2019. Subject to certain imposed conditions, the significant privileges included:

1. Exemption from import duties on machinery as approved by the Board of Investment.
2. Exemption from Corporate income tax on net income derived from the promoted business for a total not more than 100 percent of the investment, excluding land and working capital for 5 years.
3. Exemption from import duties on raw material and materials imported for use in production for export for 1 year.

### 30. Basic earnings per share

Basic earnings per share for the year is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

### 31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company and its subsidiaries are principally engaged in the fuel pipeline transportation services and aviation refueling service at the airport. Their operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

Major customers

For the year ended 31 December 2020, the Company and its subsidiaries had revenue from six major customers totaling approximately Baht 1,651 million (2019: Baht 3,620 million).

### 32. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contribute to the fund monthly in accordance with the fund rules. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 54 million (2019: Baht 54 million) (Separate financial statements: Baht 37 million (2019: Baht 37 million)) were recognised as expenses.

### 33. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2018	Annual General Meeting of the shareholders on 25 April 2019	726,732	1.14
Interim dividends for 2019	Board of Directors' meeting on 7 August 2019	146,621	0.23
Total for 2019		873,353	1.37
Interim dividends for 2019	Board of Directors' meeting on 15 April 2020	650,229	1.02
Total for 2020		650,229	1.02

### 34. Commitments and contingent liabilities

#### 34.1 Capital commitments

- a) As at 31 December 2020, the Company and its subsidiaries had capital commitments of Baht 743 million (2019: Baht 2,343 million), relating to construction of assets and purchase of equipment (Separate financial statements: 363 million (2019: Baht 298 million)).
- b) As at 31 December 2020, a subsidiary had capital commitment in respect of the uncalled investment amounting to Baht 1,705 million.

#### 34.2 Lease commitment

As at 31 December 2020, a subsidiary has a future lease payment required under a lease contract that has not yet commenced of Baht 8 million.

#### 34.3 Commitments under various agreements

- a) The Company has entered into an agreement with Airports of Thailand Public Company Limited (AOT) whereby it was granted permission to provide into-plane services at Suvarnabhumi Airport for a period of 20 years from the date the airport officially opened for service (28 September 2006). The Company is to compensate AOT at the rate stipulated in the agreement, and has to comply with certain obligations. These obligations include entering into an agreement to rent land, erect buildings and certain structures on the land and transfer ownership of such constructions to the Ministry of Finance immediately upon completion, without charge. They also include the installation of equipment and systems to be used in implementing the project and, at its own expense, maintaining such equipment and systems in good and workable condition throughout the term of the agreement.

- b) A subsidiary, Thai Aviation Refuelling Co., Ltd. has been granted approval by AOT to operate aviation fuel hydrant network services at Suvarnabhumi Airport, for a period of 30 years from the date of first operation of that company at the airport (28 September 2006). The subsidiary is obliged to comply with certain conditions, including an obligation to transfer the ownership of the hydrant refueling network including related supplies and spare parts, free of charge to AOT, and to pay a concession fee at a percentage of the subsidiary's income before deducting expenses, as stipulated in the agreement, as from the year of first operation.

### 34.4 Guarantees

The Company and its subsidiaries have outstanding bank guarantees as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2020	2019	2020	2019
Guarantee for tax refund	49	53	-	-
Guarantee for electricity use	18	18	3	3
Guarantee for land lease agreements	56	56	6	6
Guarantees for performance	129	127	96	93
Guarantees for investment	315	-	-	-

On 9 December 2020, BAFS Clean Energy Corporation Co., Ltd. (a subsidiary) entered into the Share Purchase Agreement with Padaeng Industry Public Company Limited (PDI). The subsidiary was required to comply with the conditions and regulations under the Share Purchase Agreement before the completion of the transaction or had been waived by PDI. The subsidiary furnished a bank guarantee of Baht 315 million to secure the subsidiary's obligations under this agreement. After the transaction had been approved by the shareholders' meeting of the Company and PDI, the subsidiary was to transfer a deposit of Baht 315 million to PDI, and the bank guarantee was to be subsequently returned to the subsidiary.

### 34.5 Legal cases

On 19 August 2020, a subsidiary was summoned as the third defendant in a lawsuit, where the subsidiary, a company and 4 state agencies, totaling 6 defendants, were sued by a plaintiff who had lodged a complaint about a nuisance arising from installation of fuel pipeline system and Block Valves near the plaintiff's land, resulting in inconvenience to land use and alleged infringement of land rights. The plaintiff requested the Court to order the defendants to relocate Block Valves from the land. The case is currently under the consideration of the Administrative Court.

However, the subsidiary's management believed that no significant monetary claim was to be incurred to the subsidiary and thus the subsidiary did not record a provision for the contingent liabilities relating to this litigation in the accounts.

### 35. Fair value hierarchy

As at 31 December 2020 and 2019, the Company and its subsidiaries had the assets and liabilities that were disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements/ Separate financial statements				
As at 31 December 2020				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment property	-	-	51	51

(Unit: Million Baht)

Consolidated financial statements/ Separate financial statements				
As at 31 December 2019				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment property	-	-	53	53
Derivatives				
Foreign currency forward contracts	-	0.1	-	0.1

## **36. Financial instruments**

### **36.1 Financial risk management**

The Company and its subsidiaries' financial instruments principally comprise cash and cash equivalents, current investments, trade and other receivables, restricted bank deposits and government bond, long-term investment, long-term loan to and receivable from related party, others current financial assets, trade and other payables, liabilities under lease agreements, long-term loans, long-term liabilities under rehabilitation plan and debenture. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables, long-term loan to and receivable from related party, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### ***Trade receivables***

The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. Outstanding trade receivables are regularly monitored by the Company and its subsidiaries. In addition, the Company and its subsidiaries provide services to a limited number of customers, mostly in the same industry and well able to service their debt.

An impairment analysis is performed at each reporting date to measure expected credit losses by considering the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### ***Financial instruments and cash deposits***

Credit risk from balances with banks and financial institutions is managed by the Company and its subsidiaries' in accordance with the Company and its subsidiaries' policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company and its subsidiaries' Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company and its subsidiaries' Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.



### Foreign currency risk

The Company and its subsidiaries' exposure to the risk of changes in foreign exchange rates relating to the Company and its subsidiaries' provision of services to certain customers in foreign currencies was low because of shorter periods of debt payments from customers.

### Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their debentures long-term and long-term borrowings.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2020						
	Fixed interest rates			Floating interest rate	Total	Effective interest rate
	Within 1 year	1-5 years	Over 5 years			
( % per annum.)						
Long-term loans	325	1,291	160	7,043	8,819	1.98 - 4.18
Debenture	-	-	998	-	998	2.77
	325	1,291	1,158	7,043	9,817	

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2019						
	Fixed interest rates			Floating interest rate	Total	Effective interest rate
	Within 1 year	1-5 years	Over 5 years			
	(% per annum.)					
Long-term loans	321	1,286	482	5,617	7,706	2.97 - 5.0
	331	1,286	482	5,617	7,706	

### *Interest rate sensitivity*

The following table demonstrates the sensitivity of the Company and its subsidiaries' profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans from affected as at 31 December 2020.

Currency	Increase/decrease	Effect on profit before tax
	(%)	(Million Baht)
Baht	+5	(9)
	-5	9

The above analysis has been prepared assuming that the amounts of the floating rate and all other variables remain constant over one year. Moreover, the floating legs of these loans from are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

### **Liquidity risk**

The Company and its subsidiaries have controlled their liquidity risk through the maintenance of adequate levels of cash and cash equivalents for operations and their ability to secure a source of financing, both short-term and long-term loans, from banks for emergencies and against impacts from cash flow fluctuations.

## **36.2 Fair values of financial instruments**

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or carrying interest at rates close to the market interest rate, their fair value are not expected to be materially different from the amounts presented in statement of financial position.

During the current year, there were no transfers within the fair value hierarchy.

## **37. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Company and its subsidiaries's debt-to-equity ratio was 1.88:1 (2019: 1.21:1) and the Company's was 0.83:1 (2019: 0.64:1).

### **38. Events after the reporting period**

On 4 February 2021, the Company's Extraordinary General Meeting of Shareholders No. 1/2564 passed a resolution approving an investment in a solar power plant of BAFS Clean Energy Corporation Co., Ltd. (a subsidiary) through purchases of ordinary shares of three following companies:

- 1) ATC Enviro Co., Ltd., for 100 percent of total shares
- 2) PDI Mae Ramat Co., Ltd., for 100 percent of total shares
- 3) P.P.Solar (Nong-No) Co., Ltd., for 100 percent of total shares

The purchase prices for the shares totaled Baht 1,705 million. The subsidiary has already paid the deposit due to the share purchase agreement amounting to Baht 315 million on 8 February 2021.

### **39. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2021.

## Board of Directors and Executives







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## Board of Directors

**1. Mr. Palakorn Suwanrath**  
Chairman and Independent Director

**2. M.R. Supadis Diskul**  
Director, Remuneration Committee Director, Nominating and Corporate Governance Committee Director, Risk Management Committee Director, Chairman of Corporate Sustainability Committee, Executive Chairman

**3. Mr. Prakobkiat Ninnad**  
Director, Remuneration Committee Director, Nominating and Corporate Governance Committee Director, Risk Management Committee Director, Corporate Sustainability Committee Director, President

**4. Mr. Chai Eamsiri**  
Director

**5. Mr. Cherdphan Chotikhun**  
Director

**6. Mr. Puttipong Prasarttong-Osoth**  
Director



**5**



**6**



**7**



**8**



**12**



**13**



**14**

**7. Mr. Nitinai Sirismatthakarn**  
Director

**8. Mr. Chumpol Surapittayanont**  
Director

**9. Mr. KongsiamChinwanno**  
Director

**10. Mr. Saksith Srilertfar**  
Director

**11. Mr. Aswin Kongsiri**  
Independent Director, Chairman  
of Nominating and Corporate  
Governance Committee and  
Chairman of Risk Management  
Committee Director

**12. Mr. Visut Montriwat**  
Independent Director,  
Audit Committee Director  
Chairman of Remuneration  
Committee


**13. Mr. Pachara Yutidhamdamrong**  
Independent Director, Chairman  
of Audit Committee and  
Remuneration Committee Director

**14. Mr. Pipat Purnananda**  
Independent Director,  
Audit Committee Director,  
Risk Management Committee  
Director, Nominating and  
Corporate Governance  
Committee Director





## Enclosure 1 : Details of Board of Directors, Executives, Authorized Person, the Person Assuring Overall Responsibility in Accounting and Finance (CFO), Chief Accounting and Corporate Secretary

### Details of Board of Directors (As of December 31, 2020)


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Palakorn Suwanrath</b> Chairman and Independent Director  <b>Starting Date of Directorship</b> April 2, 2007	72	<ul style="list-style-type: none"><li>Master of Arts in International Affairs (M.A.I.A.) Southeast Asia Studies, Ohio University, USA</li><li>Bachelor of Arts in Political Science, Chulalongkorn University</li><li>Certificate, National Defense College, Class 37</li><li>Programs organized by the Thai Institute of Directors (IOD)</li><li>- Director Certification Program (DCP) 92/2007</li><li>- Director Accreditation Program (DAP) 63/2007</li><li>- The Role of Chairman (RCM) 16/2007</li></ul>	- None -	- None -	2018 - Present	Chairman and Independent Director	Ubon Bio Ethanol Plc.	- None -
					2014 - Present	Chairman and Independent Director	The Platinum Group Plc.	
					2007 - Present	Chairman and Independent Director	Bangkok Aviation Fuel Services PCL.	
					1990 - Present	Director	Les Trois Co., Ltd.	
					1980 - Present	Director	Lucky Clover Co., Ltd.	
					1979 – Present	Director	Thongtipaya Co., Ltd.	
					1979 - Present	Director	Supatasna Co., Ltd.	
					Current Position in Other Companies			
					2014 - Present	<b>Listed companies</b> Chairman and Independent Director <b>Non-Listed companies</b> 5 Companies	The Platinum Group Plc.	





Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>M.R. Supadis Diskul</b> Director, Remuneration Committee Director, Nominating and Corporate Governance Committee Director, Risk Management Committee Director, Chairman of Corporate Sustainability Committee, Executive Chairman and Authorized Director  <b>Starting Date of Directorship</b> December 30, 1983	71	<ul style="list-style-type: none"><li>Master of Community and Regional Planning, North Dakota State University, USA</li><li>Bachelor of Science, Medical Technology, Mahidol University</li><li>Certificate, National Defence College, The National Defence Course for the Joint State-Private Sectors, Class 4515</li><li>Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>Director Accreditation Program (DAP) 12/2004</li><li>Director Certification Program (DCP) 51/2004</li><li>Finance for Non-Finance Directors (FND) 14/2004 and 1/2011</li><li>Role of the Compensation Committee (RCC) 4/2007</li><li>The Role of Chairman Program (RCP) 16/2007</li><li>Successful Formulation and Execution of Strategy (SFE) 5/2009</li><li>Anti-Corruption for Executive Program (ACEP) 11/2014</li><li>Board Nomination and Compensation Program (BNCP) 5/2018</li></ul></li></ul>	0.706 (In name of himself and spouse 4,500,000 shares) Increased 100,000 shares in 2020	Father of M.L. Nathasit Diskul, Vice President, Acting for Director - Business Development & Marketing	2020 - Present	Director	BAFS Clean Energy Corporation Co., Ltd.	- None -
	2018 - Present	Chairman	BAFS INTECH Co., Ltd.					
	2016 - Present	Chairman	BAFS Innovation Development Co., Ltd.					
	2014 - Present	Executive Chairman	Bangkok Aviation Fuel Services PCL.					
	2013 - Present	Independent Director	Bangkok Insurance Public Co., Ltd.					
	2011 - Present	Director	Thai Aviation Refuelling Co., Ltd.					
	2010 - Present	Chairman and Director	Fuel Pipeline Transportation Co., Ltd.					
	1983 - Present	Director	Bangkok Aviation Fuel Services PCL.					
	1986 - 2015	Chairman	Intoplane Service Co., Ltd.					
	Current Position in Other Companies							
					2013 - Present	<b>Listed companies</b> Independent Director <b>Non-Listed companies</b> 5 Companies	Bangkok Insurance Plc.	


Name/Position	Age (Year)	Education/Certification	Share- holding of the ( <sup>(1)</sup> ) Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Prakobkiat Ninnad</b> Director, Remuneration Committee Director, Nominating and Corporate Governance Committee Director, Risk Management Committee Director, Corporate Sustainability Committee Director, President and Authorized Director  <b>Starting Date of Directorship</b> April 24, 2014	64	<ul style="list-style-type: none"><li>Bachelor of National Economics and International Relations, University of Stockholm, Sweden</li><li>Aviation Law Seminar, International Aviation Management Training Institute, Canada</li><li>Role of Executive to Internal Control, Risk Management Awareness for Executives, Internal Control, Business &amp; Finance Acumen from Thai Airways International PCL</li><li>Executive Program: Good Governance for Sustainable Development Institute for Good Governance Promotion Class 1</li><li>Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>Director Certification Program (DCP) 193/2014</li><li>Role of the Nomination and Governance Committee (RNG) 8/2016</li></ul></li></ul>	0.012 (In name of himself 73,800 shares) (No share-holding changed in 2020)	- None -	2020 - Present	Director	BAFS Clean Energy Corporation Co., Ltd.	- None -
	2019 - Present	President	Bangkok Aviation Fuel Services PCL.					
	2018 - Present	Director	BAFS INTECH Co., Ltd.					
	2016 – Present	Director	BAFS Innovation Development Co., Ltd.					
	2015 – Present	Director	Thai Aviation Refuelling Co., Ltd.					
	2015 – Present	Chairman	Intoplane Services Co., Ltd.					
	2014 - Present	Director	Bangkok Aviation Fuel Services PCL.					
	2006 – Present	Director	Fuel Pipeline Transportation Co., Ltd					
	Current Position in Other Companies							
	Listed companies - None - Non-Listed companies 6 Companies							


**Starting Date of  
Directorship**  
April 24, 2014


Name/Position	Age (Year)	Education/Certification	Share- holding of the (1) Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
 <b>Mr. Chai Eamsiri</b> Director and Authorized Director  <b>Starting Date of Directorship</b> October 8, 2020	58	<ul style="list-style-type: none"><li>• Master of Business Administration, Kasetsart University</li><li>• Bachelor Degree, Business Administration, Assumption University of Thailand</li><li>• E-Learning CFO's Orientation Course (The Stock Exchange of Thailand - SET)</li><li>• Thai Airways Moral for Business Rehabilitation, Thai Airways International Plc.</li><li>• Thai Airways Moral Project for Organizational Development and Success Factors, Thai Airways International Plc.</li><li>• Monarchy and Thailand Leadership Succession Program by Institute of Research and Development for Public Enterprises (IRDP)</li><li>• Programs organized by the Thai Institute of Directors (IOD)</li><li>- Director Accreditation Program (DAP) 174/2020</li></ul>	- None -	- None -	Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	- None -
					2020 - Present	Director	Bangkok Aviation Fuel Services PCL.	
					2020 - Present	Acting Chief Financial Officer	Thai Airways International PCL	
					2020 - Present	Director	THAI - Amadeus Southeast Asia Co., Ltd.	
					2018 - Present	Director	Thai Flight Training Co., Ltd.	
					2014 - Present	Vice President	Petroleum, Corporate Insurance and Aviation Environmental Department, Thai Airways International PCL	
					Current Position in Other Companies			
					Listed companies			
					2020 - Present	Acting Chief Financial Officer	Thai Airways International PCL	
					2020 - Present	Vice President, Petroleum, Corporate Insurance and Aviation Environmental Department	Thai Airways International PCL	
			Non-Listed companies 2 Companies					

Name/Position	Age (Year)	Education/Certification	Share-holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Cherdphan Chotikhun</b> Director and Authorized Director	53	<ul style="list-style-type: none"><li>• Master Degree of Engineering, Industrial Engineering, Chulalongkorn University</li><li>• Bachelor Degree of Engineering, Industrial Engineering, King Mongkut's University of Technology Thonburi</li><li>• Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>- Director Accreditation Program (DAP) 172/2020</li></ul></li></ul>	- None -	- None -	2020 - Present	Director	Bangkok Aviation Fuel Services PCL.	- None
					2020 - Present	Executive Vice President, Technical Department	Thai Airways International PCL	
					2016 - 2020	Board of Committees	Thai Flight Training Company Ltd.	
					2016 - 2020	Vice President.	Thai Airways International PCL	
					2014 - 2016	Personnel Development and Training Department Director. Office of the Internal Audit	Thai Airways International PCL	
Current Position in Other Companies								
Starting Date of Directorship May 13, 2020					2020 - Present	<b>Listed companies</b> Executive Vice President Technical Department, <b>Non-Listed companies</b> - None -	Thai Airways International PCL	


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Puttipong Prasarttong-Osoth</b> Director and Authorized Director  <b>Starting Date of Directorship</b> August 8, 2018	56	<ul style="list-style-type: none"><li>Bachelor of Accountancy, Chulalongkorn University</li><li>Senior Executive Program : SASIN</li><li>Commercial Pilot License</li><li>Diploma from Judicial Training Institute</li><li>National Defence College, The Joint State - Private Sector Course Class 24</li><li>Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>- Director Accreditation Program (DAP) 100/2013</li><li>- Director Certification Program (DCP) 241/2017</li><li>- Boards that Make a Difference (BMD) 9/2019</li></ul></li></ul>	0.004 (In name of himself 25,000 shares) (No share-holding changed in 2020)	- None -	2019 - Present	Vice Chairman	Bangkok Airways Public Co., Ltd	- None -
					2008 - Present	Chief Executive Officer President Member of Executive Senior Vice President - Commercial Vice President - Human Resources	Bangkok Airways Public Co., Ltd	
					2019 - Present	Director	Bangkok Dusit Medical Services PCL	
						Director	Quality Delicious Co., Ltd	
					2018 - Present	Director	Quality Delicious & Chef Man Co., Ltd	
					2018 - Present	Director	Bangkok Aviation Fuel Services PCL.	
					2017 - Present	Chairman	Bangkok Airways Holding Co., Ltd	
					2016 - Present	Director	Bangkok Air Catering Chiangmai Co., Ltd.	
					2015 - Present	Chairman	Fuel Pipeline Transportation Co., Ltd	
					2015 - Present	Chairman	Bangkok Air Catering Samui Co., Ltd.	
					2015 - Present	Chairman	Gourmet Primo Co., Ltd.	
					2013 - Present	Director	Bangkok Media & Broadcasting Co., Ltd.	
					2012 - Present	Director	Aeronautical Radio of Thailand Co., Ltd.	
					2012 - Present	Chairman	Bangkok Air Ground Services Co., Ltd.	
					2012 - Present	Chairman	Bangkok Air Catering Phuket Co., Ltd.	
					2010 - Present	Chairman	BAC Gourmet House Co., Ltd.	
					2004 - Present	Chairman	Bangkok Air Catering Co., Ltd.	
					2004 - Present	Chairman	WFS-PG Cargo Co., Ltd.	
					2004 - Present	Chairman	Worldwide Flight Services Bangkok	
							Air Ground Handling Co., Ltd.	
					2004 - Present	Director	The Sahakol Estate Co., Ltd.	
					2008 - 2019	Executive Vice President - Operations	Bangkok Airways Public Co., Ltd.	
Current Position in Other Companies								
					2008 - Present	Listed companies President & CEO	Bangkok Airways Public Co., Ltd.	Bangkok Airways Public Co., Ltd. Bangkok Dusit Medical Services PCL
					2019 - Present	Director		
						Non-Listed companies 16 Companies		


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
 <b>Mr. Nitinai Sirismatthakarn</b> Director and Authorized Director  <b>Starting Date of Directorship</b> November 9, 2016	49	<ul style="list-style-type: none"><li>• Doctor of Philosophy (Economics), Florida State University</li><li>• Master of Public Administration, University of Southern California</li><li>• Bachelor of Art (Economics), Chulalongkorn University</li><li>• Certificate in Public Financial Management University of Southern California</li><li>• Certificate in Financial Management University of Southern California</li><li>• Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>- Director Accreditation Program (DAP) 138/2017</li><li>- Director Certification Program (DCP) 258/2018</li></ul></li></ul>	- None -	- None -	Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	- None -
					2016 - Present	Director	Bangkok Aviation Fuel Services PCL.	
					2015 - Present	President	Airports of Thailand PLC.	
					Current Position in Other Companies			
					2015 - Present	<b>Listed companies</b> President <b>Non-Listed companies</b> - None -	Airports of Thailand PLC	


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Chumpol Surapittayanont</b> Director and Authorized Director  <b>Starting Date of Directorship</b> July 16, 2020	56	<ul style="list-style-type: none"><li>Master of Business Administration (Marketing), Ramkhamhaeng University</li><li>Bachelor of Engineering (Industrial Engineering), Kasetsart University</li><li>Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>Director Certification Program (DCP) 177/56</li></ul></li></ul>	- None -	- None -	2020 - Present	Director	Bangkok Aviation Fuel Services PCL.	- None -
					2020 - Present	Senior Executive Vice President, Commercial Marketing	PTT Oil and Retail Business Public Company Limited	
					2019 - Present	Senior Executive Vice President, Lubricant Business Unit	PTT Oil and Retail Business Public Company Limited	
					2019 - Present	Chairman	THAI LUBE BLENDING Co., Ltd.	
					2019 - Present	Chairman	PTTOR China (Shanghai) Co., Ltd.	
					2018 - 2019	Senior Executive Vice President, Planning, Executive Vice President, Business Planning	PTT Oil and Retail Business Public Company Limited	
					2016 - 2018	Executive Vice President, Business Planning	PTT Public Company Limited	
					2015 - 2016	Vice President, Business Planning	PTT Public Company Limited	
					Current Position in Other Companies			
						<b>Listed companies</b> - None - <b>Non-Listed companies</b> 3 Companies		


Name/Position	Age (Year)	Education/Certification	Share- holding of the <sup>(1)</sup> Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)				Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>		
  Mr. Kongsiam Chinwanno Director and Authorized Director  Starting Date of Directorship April 26, 2018	52	<ul style="list-style-type: none"><li>• Master of Management, (Statistics), USA</li><li>• Bachelor of Business Administration (with honor), University of Kansas City, USA</li><li>• Programs organized by the Thai Institute of Directors (IOD)</li><li>- Director Accreditation Program (DAP) 150/2018</li></ul>	- None -	- None -	2018 - Present	Director	Bangkok Aviation Fuel Services PCL.	- None -	
	2017 - Present 2012 - 2017	Asia Pacific Fleet Manager Asia Pacific Capital and Initiatives Coordinator	ExxonMobil Limited ExxonMobil Limited						
	Current Position in Other Companies								
	Listed companies - None - Non-Listed companies 1 Company								




Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
 <b>Mr. Saksith Srilertfar</b> Director and Authorized Director  Starting Date of Directorship May 13, 2020	50	<ul style="list-style-type: none"><li>Master of Business Administration, Thammasat University</li><li>Bachelor of Business Administration, Thammasat University</li><li>Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>Director Accreditation Program (DAP) 172/2020</li></ul></li></ul>	- None -	- None -	Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	- None -
					2020 - Present	Director	Bangkok Aviation Fuel Services PCL.	
					2014 - Present	Business Development Manager	Shell Company of Thailand Ltd	
					Current Position in Other Companies			
					Listed companies - None - Non-Listed companies 1 Company			

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record	
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>		
 <b>Mr. Aswin Kongsiri</b> Independent Director, Chairman of Nominating and Corporate Governance Committee and Chairman of Risk Management Committee Director  <b>Starting Date of Directorship</b> April 22, 2005	75	<ul style="list-style-type: none"><li>Business Administration (Honors) in Philosophy, Politics and Economics, Oxford University, England</li><li>Certificate, National Defence College, The National Defence Course for the Joint State-Private Sectors, Class 6</li><li>Banff School of Advanced Management, Alberta, Canada</li><li>Programs organized by the Thai Institute of Directors (IOD)</li><li>Director Certification Program (DCP) 11/2001</li><li>The Role of Chairman (RCM) 5/2001</li></ul>	0.024 (In name of himself and spouse 150,000 shares) (No share-holding changed in 2020)	- None -	2020 - Present	Chairman	BAFS Clean Energy Corporation Co., Ltd.	- None -	
					2010 - Present	Chairman	Thai Orix Leasing Co., Ltd.		
					2007 - Present	Chairman	Ch. Karnchang PCL		
					2005 - Present	Independent Director, Chairman of Nominating and Corporate Governance Committee and Chairman of Risk Management	Independent Director, Chairman of the Audit Committee		Bangkok Aviation Fuel Services PCL.
					1999 - Present	Independent Director	Chairman of the Audit Committee		OHTL PCL
					1994 - Present	Independent Director	Independent Director		Ch.Karnchang PCL
					1993 - 2019	Independent Director	Chairman of the Audit Committee		Thai Reinsurance Public Co., Ltd.
					1981 - 2020	Independent Director	Audit Committee Member		Padaeng Industry PLC
					2008 - 2018	Chairman			Ton Poh Thailand Fund
					Current Position in Other Companies				
Listed companies									
1999 - Present			Independent Director	Chairman Audit Committee	OHTL PCL				
1994 - Present			Independent Director	Chairman	Ch. Karnchang PCL				
1993 - 2019			Independent Director	Chairman of the Audit Committee	Thai Reinsurance Public Co., Ltd.				
1981 - 2020			Independent Director	Audit Committee Member	Padaeng Industry PLC				
			Non-Listed companies						
			2 Companies						

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					TIme Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Visut Montriwat</b> Independent Director, Audit Committee Director and Chairman of Remuneration Committee  <b>Starting Date of Directorship</b> November 9, 2006	74	<ul style="list-style-type: none"><li>• MBA, Northern Illinois University, USA</li><li>• Bachelor of Commerce, Chulalongkorn University</li><li>• Certificate, National Defence College, Class 38</li><li>• Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>- Audit Committee Program (ACP) 15/2006</li><li>- Director Certification Program (DCP) 77/2006</li><li>- Monitoring the System of Internal Control and Risk Management (MIR) 1/2007</li><li>- Role of the Compensation Committee (RCC) 2/2007</li><li>- Monitoring of the Quality of Financial Report (MFR) 7/2009</li></ul></li></ul>	- None -	- None -	2020 - Present	Director	BAFS Clean Energy Corporation Co., Ltd.	- None -
	2020 - Present	Director	Inet Reit Management Co., Ltd.					
	2011 - Present	Independent Director	Srivichaivejivat PCL.					
	2008 - Present	Audit Committee Director	Thai Aviation Refuelling Co., Ltd.					
	2008 - Present	Director	S S V Business Co., Ltd.					
	2006 - Present	Independent Director,	Bangkok Aviation Fuel Services PCL.					
		Audit Committee Director, and Chairman of						
	2015 - 2020	Remuneration Committee Independent Director	Lynn Phillips Mortgage Credit Foncier Co., Ltd.					
	2017 - 2018	Independent Director	Proud Estate Development Co., Ltd.					
	Current Position in Other Companies							
					2011 - Present	<b>Listed companies</b> Independent Director	Srivichaivejivat Plc.	
						Audit Committee Director <b>Non-Listed companies</b> 6 Companies		

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
 <b>Mr. Pachara Yutidhamdamrong</b> Independent Director, Chairman of Audit Committee and Remuneration Committee Director  <b>Starting Date of Directorship</b> April 8, 2009	73	<ul style="list-style-type: none"><li>Honorary Degree of Doctor of Laws, Ramkhamhaeng University</li><li>LL.B., Thammasat University</li><li>Barrister at Law, Institute of Legal Education of The Thai Bar</li><li>Certificate, National Defence Course for the Joint State-Private Sectors, National Defence College, Class 399</li><li>Certificate from Naval College Class 21 (1988 - 1989)</li><li>Public Director Certification Program from Public Director Institute</li><li>Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>Director Accreditation Program (DAP) 55/2006</li><li>Audit Committee Program (ACP) 22/2008</li></ul></li></ul>	- None -	- None -	Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	- None -
					2020 - Present	Director	BAFS Clean Energy Corporation Co., Ltd Preecha Group Plc. Amarin Television Co., Ltd. Thai Aviation Refuelling Co., Ltd Bangkok Aviation Fuel Services PCL.	
					2015 - Present	Chairman of Committee		
					2013 - Present	Director		
					2009 - Present	Director		
					2009 - Present	Independent Director, Chairman of Audit Committee and Remuneration Committee		
					2017 - 2020 Present	Director Independent Director Legal Counsel	MFC Asset Management plc. Sukhumvit Asset Management Co., Ltd. Office of the Council of State	
					Current Position in Other Companies			
					2015 - Present	<b>Listed companies</b> Chairman of Committee <b>Non-Listed companies</b> 5 Companies	Preecha Group Plc.	

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Pipat Purnananda</b> Independent Director, Audit Committee Director and Risk Management Committee Director, Nominating and Corporate Governance Committee Director  <b>Starting Date of Directorship</b> April 17, 2013	72	<ul style="list-style-type: none"><li>Master of Arts (Economics) Western Michigan University, USA</li><li>Bachelor Degree of Arts, Business and Administration (Finance), Thammasat University</li><li>Workshop on Budgeting in the Public Sector, Harvard University</li><li>National Defence College (NDC 3)</li><li>Programs organized by the Thai Institute of Directors (IOD)</li><li>Director Accreditation Program (DAP) 94/2012</li><li>Audit Committee Program (ACP) 43/2013</li><li>Director Certification Program (DCP) 172/2013</li><li>Financial Statements for Director (FSD) 2/2014</li></ul>	0.043 (In name of himself 271,100 shares) Increased 71,100 shares in 2020	- None -	2019 - Present	Nominating and Corporate Governance Committee Director	Bangkok Aviation Fuel Services PCL.	- None -
					2017 - Present	Chairman of Committee	TOOM NAM Co.,Ltd.	
					2013 - Present	Independent Director, Audit Committee Director and Risk Management	Bangkok Aviation Fuel Services PCL.	
					2013 - Present	Director	Thai Aviation Refuelling Co., Ltd.	
						Current Position in Other Companies		
						<b>Listed companies</b> - None - <b>Non-Listed companies</b> 2 Companies		

Remarks: <sup>(1)</sup> Including the shares of spouse and minor children  
<sup>(2)</sup> Specific experience related to the Company's business



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## Executives

### 1. Mr. Prakobkiat Ninnad

Director, Remuneration Committee Director, Nominating and Corporate Governance Committee Director, Risk Management Committee Director, Corporate Sustainability Committee Director, President and Authorized Director

### 2. M.L. Nathasit Diskul

Vice President, Acting for Director - Business Development & Marketing

### 3. Mr. Charoen Charusalaipong

Consultant to Executive Chairman

### 4. Mr. Kanit Seetong

Director - Suvarnabhumi Aviation Refueling

### 5. Mr. Suwatchai Patcharasaengthong

Director - Suvarnabhumi Airport Depot



**5**



**6**



**7**



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**14**

**6. Miss Prapis Ruthairung**  
Director - Finance & Accounting  
and Chief Financial Officer

**8. Miss Yuphadee Tongaroonsri**  
Director - Don Mueang and  
Regional Airport

**11. Miss Saowapak  
Jungpattanaphong**  
Director - Quality Safety Health  
and Environment Office

**13. Mr. Gritt Madisara**  
Consultant to Executive  
Chairman

**7. Mrs. Jirapat Charoenbhantraks**  
Director - Human  
Resources & Administration


**9. Mr. Nattapol Narkuam**  
Director - Technical

**12. Mr. Pariwat Vattanasup**  
Consultant to Executive  
Chairman


**14. Mr. Aniruth Boonyatirana**  
Director - Attached to  
Executive Chairman Office

**10. Mrs. Mayuree Nalinwong**  
Director - Internal Audit Office,  
Internal Audit

## Details of Executives (As of December 31, 2020)


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record						
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>							
 <b>Mr. Prakobkiat Ninnad</b> Director, Remuneration Committee Director, Nominating and Corporate Governance Committee Director, Risk Management Committee Director, Corporate Sustainability Committee Director, President and Authorized Director	64	<ul style="list-style-type: none"><li>• Bachelor of National Economics and International Relations, University of Stockholm, Sweden</li><li>• Aviation Law Seminar, International Aviation Management Training Institute, Canada</li><li>• Role of Executive to Internal Control, Risk Management Awareness for Executives, Internal Control, Business &amp; Finance Acumen from Thai Airways International PCL</li><li>• Executive Program: Good Governance for Sustainable Development Institute for Good Governance Promotion Class 1</li><li>• Programs organized by the Thai Institute of Directors (IOD)<ul style="list-style-type: none"><li>- Director Certification Program (DCP) 193/2014</li><li>- Role of the Nomination and Governance Committee (RNG) 8/2016</li></ul></li></ul>	0.012 (In name of himself 73,800 shares) (No share-holding changed in 2020)	- None -	2020 - Present	Director	BAFS Clean Energy Corporation Co., Ltd.	- None -						
					2019 - Present	President	Bangkok Aviation Fuel Services PCL.							
					2018 - Present	Director	BAFS INTECH Co., Ltd.							
					2016 - Present	Director	BAFS Innovation Development Co., Ltd.							
					2015 - Present	Director	Thai Aviation Refuelling Co., Ltd.							
					2015 - Present	Chairman	Intoplane Services Co., Ltd.							
					2014 - Present	Director	Bangkok Aviation Fuel Services PCL.							
					2006 - Present	Director	Fuel Pipeline Transportation Co., Ltd.							
										Current Position in Other Companies				
										Listed companies - None - Non-Listed companies 6 Companies				





Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>M.L. Nathasit Diskul</b> Vice President, Acting for Director - Business Development & Marketing	39	<ul style="list-style-type: none"> <li>Master of Commerce in International Business, University of New South Wales, Sydney, Australia</li> <li>Bachelor of Economics, International Program, Thammasat University</li> <li>Programs organized by the Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>Director Certification Program (DCP) 275/2019</li> <li>Risk Management Program for Corporate Leaders (RCL) 19/2020</li> <li>Successful Formulation &amp; Execution of Strategy (SFE) 33/2020</li> </ul> </li> </ul>	0.074 (in name of himself 470,000 shares) Increased 70,000 shares in 2020	Son of M.R. Supadis Diskul, Director and Executive Chairman	2020 - Present	Director	SDIT Co., Ltd.	- None -
					2020 - Present	Managing Director and Director	BAFS Clean Energy Corporation Co., Ltd.	
					2019 - Present	Vice President, Acting for Director - Business Development & Marketing	Bangkok Aviation Fuel Services PCL.	
					2019 - Present	Director	Fuel Pipeline Transportation Co., Ltd.	
					2019 - Present	Director	BAFS Innovation Development Co., Ltd.	
					2019 - Present	Director	BAFS INTECH Co., Ltd.	
					2019 - Present	Director	Intoplane Services Co., Ltd.	
					2019 - Present	Director	Thai Aviation Refuelling Co., Ltd.	
					2017 - 2018	Managing Director	Renazzo Motor Co., Ltd.	
					2017 - 2018	Managing Director	Ducatisti Co., Ltd.	
					2012 - 2017	Sales and Marketing Director	Ducatisti Co., Ltd.	


Name/Position	Age (Year)	Education/Certification	Shareholding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Charoen Charusalaipong</b> Consultant to Executive Chairman	58	<ul style="list-style-type: none"> <li>Master of Business Administration, Sripatum University</li> <li>Bachelor of Science, Mahidol University</li> <li>Programs organized by the Thai Institute of Directors (IOD)</li> <li>Director Certification Program (DCP) 168/2013</li> </ul>	- None -	- None -	2017 - Present	Consultant to Executive Chairman	Bangkok Aviation Fuel Services PCL.	- None -
					2017 - Present	Director and Managing Director	Fuel Pipeline Transportation Co., Ltd.	
					2014 - 2016	Assistant to Managing Director	Fuel Pipeline Transportation Co., Ltd.	

Name/Position	Age (Year)	Education/Certification	Shareholding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Kanit Seetong</b> Director - Suvarnabhumi Aviation Refueling	50	<ul style="list-style-type: none"> <li>Master of Business Administration, Eastern Asia University</li> <li>Bachelor of Faculty of Education Srinakharinwirot University</li> </ul>	0.001 (In name of himself 7,500 shares) (No shareholding changed in 2020)	- None -	2020 - Present	Director	Intoplane Service Co., Ltd.	- None -
					2019 - Present	Director - Suvarnabhumi Aviation Refueling	Bangkok Aviation Fuel Services PCL.	
					2016 - 2020	Chief Marketing Officer	BAFS Innovation Development Co., Ltd.	
					2016 - 2019	Aviation Refueling Director	Bangkok Aviation Fuel Services PCL.	
					2012 - 2016	Deputy Aviation Refueling Director	Bangkok Aviation Fuel Services PCL.	


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Suwattchai Patcharasaengthong</b> Director - Suvarnabhumi Airport Depot	52	<ul style="list-style-type: none"> <li>Master of Business Administration, Ramkhamhaeng University</li> <li>Bachelor of Science in Industrial Technology Electrical Engineering, Siam University</li> </ul>	- None -	- None -	2019 - Present	Director - Suvarnabhumi Airport Depot	Bangkok Aviation Fuel Services PCL.	- None -
					2018 - 2019	Depot Director	Bangkok Aviation Fuel Services PCL.	
					2015 - 2018	Business and Development Manager	Fuel Pipeline Transportation Co., Ltd.	
					2013 - 2015	Depot Manager	Fuel Pipeline Transportation Co., Ltd.	


Name/Position	Age (Year)	Education/Certification	Shareholding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Miss Prapis Ruthairung</b> Director - Finance & Accounting and Chief Financial Officer	59	<ul style="list-style-type: none"> <li>Master of Business Administration, Commerce and Accountancy Faculty, Chulalongkorn University</li> <li>Bachelor of Economics, Faculty of Economics, Thammasat University</li> <li>Programs organized by the Thai Institute of Directors (IOD)</li> <li>Director Certification Program (DCP) 261/2018</li> <li>Boardroom Success through Financing &amp; Investment (BFI) 6/2019</li> <li>Pursuit of New Financial Reporting Standards Effective in 2019 and 2020 (Class 3/18), Federation of Accounting Professions under the Royal Patronage of His Majesty the King</li> <li>TLCA CFO Professional Development Program (TLCA CFO CPD) organized by Thai Listed Companies Association (10 Hours)</li> <li>Transfer Pricing</li> <li>Related Party Transaction and Impairment Issues</li> <li>Capital Structure and Funding Strategy</li> <li>How to Create Value with the Right Environment, Social and Governance Strategies</li> <li>CFO's Role in Strategic Financial Communications</li> </ul>	0.001 (In name of herself 4,000 shares) (No shareholding changed in 2020)	- None -	2018 - Present 2017 - Present 2017 - Present 2016 - 2020 2015 - 2017	Director Director Director - Finance & Accounting Director and Chief Financial Officer Deputy Finance & Accounting Director	BAFS INTECH Co., Ltd. Intoplane Services Co., Ltd. Bangkok Aviation Fuel Services PCL. BAFS Innovation Development Co., Ltd. Bangkok Aviation Fuel Services PCL.	- None -

Name/Position	Age (Year)	Education/Certification	Share-holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mrs. Jirapat Charoenbhantharaks</b> Director - Human Resources & Administration	59	<ul style="list-style-type: none"> <li>Master Degree of Public Administration, Chulalongkorn University</li> <li>Bachelor Degree of Political Science Ramkhamhaeng University</li> </ul>	0.001 (In name of herself and her husband 6,250 shares) (No share-holding changed in 2020)	- None -	2016 - Present	Director, Human Resources & Administration	Bangkok Aviation Fuel Services PCL.	- None -
					2015 - 2016	Deputy Human Resources & Administration Director	Bangkok Aviation Fuel Services PCL.	


Name/Position	Age (Year)	Education/Certification	Share-holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Miss Yuphadee Tongaroonsri</b> Director - Don Mueang and Regional Airport	47	<ul style="list-style-type: none"> <li>Master of Management, Mahidol University College of Management</li> <li>Bachelor of Science, Chiang Mai University</li> <li>Programs organized by the Thai Institute of Directors (IOD)</li> <li>Director Certification Program (DCP) 227/2016</li> </ul>	0.003 (In name of herself 20,625 shares) (No share-holding changed in 2020)	- None -	2017 - Present	Managing Director	Intoplane Service Co., Ltd.	- None -
					2015 - Present	Director	Intoplane Service Co., Ltd.	
					2015 - Present	Director - Don Mueang & Regional Airport	Bangkok Aviation Fuel Services PCL.	
					2018 - 2020	Chief Standard and Intellectual property officer	BAFS Innovation Development Co., Ltd.	
					2018 - 2019	Director	BAFS INTECH Co., Ltd.	
					2016 - 2020	Director	BAFS Innovation Development Co., Ltd	
					2015 - 2018	Chief Marketing Officer	BAFS Innovation Development Co., Ltd.	


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Nattapol Narkuam</b> Director - Technical	53	<ul style="list-style-type: none"> <li>Bachelor of Industrial Technology, Major in Mechanical Engineering, Siam University</li> <li>Advanced Certificate Course in Public Economics Management for Executives, King Prajadhipok's Institute</li> <li>Programs organized by the Thai Institute of Directors (IOD)</li> <li>Director Certification Program (DCP) 227/2016</li> </ul>	- None -	- None -	2016 - Present	Board of Director	BAFS Innovation Development Co., Ltd.	- None -
					2016 - Present	Board of Director	Intoplane Service Co., Ltd.	
					2014 - Present	Director - Technical	Bangkok Aviation Fuel Services PCL.	
					2016 - 2020	Managing Director	BAFS Innovation Development Co., Ltd.	


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mrs. Mayuree Nalinwong</b> Director - Internal Audit Office, Internal Audit	57	<ul style="list-style-type: none"> <li>• MBA, Ramkhamhaeng University</li> <li>• Bachelor of Accounting, Thammasat University</li> <li>• Public Economics Management for Executives from King Prajadhipok's Institute</li> <li>• Certificate of Business Management for Internal Audit, Federation of Accounting Professions</li> <li>• New Financial Reporting Standards, Risk management, Corporate Governance Auditing and Revenue Code with Accountant, Federation of Accounting Professions</li> <li>• Programs organized by the Thai Institute of Directors (IOD)               <ul style="list-style-type: none"> <li>- Anti - Corruption: The Practical Guide</li> <li>- Corruption Risk &amp; Control: Technical Update (CRC) 2/2019</li> <li>- Road to Certify CAC</li> </ul> </li> </ul>	0.006 (in name of herself 37,500 shares) (No share- holding changed in 2020)	- None -	2014 - Present	Director - Internal Audit Office	Bangkok Aviation Fuel Services PCL.	- None -

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Miss Saowapak Jungpattananaphong</b> Director - Quality Safety Health and Environment Office	59	<ul style="list-style-type: none"> <li>Master of Business Administration, Commerce and Accountancy Faculty, Chulalongkorn University</li> <li>Bachelor of Accountancy (Accounting) Commerce and Accountancy Faculty, Chulalongkorn University</li> <li>Intensive English Program at University of Delaware, USA</li> </ul>	0.018 (holding by herself 116,250 shares) (No share-holding changed in 2020)	- None -	2015 - Present	Director	Bangkok Aviation Fuel Services PCL.	- None -
					2012 - 2015	Assistant Director	Bangkok Aviation Fuel Services PCL.	




Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Pariwat Vattanasup</b> Consultant to Executive Chairman	58	<ul style="list-style-type: none"> <li>• Master of Public and Private Management (MPPM), National Institute of Development Administration</li> <li>• Bachelor of Engineering (Mechanical Engineering), Kasetsart University</li> <li>• Economics in Public Administration for High-Level Administrators, King Prajadhipok's Institute, Class 13</li> <li>• Good Governance for Sustainable Development, Institute for Good Governance Promotion 4/2015</li> <li>• Programs organized by the Thai Institute of Directors (IOD)               <ul style="list-style-type: none"> <li>- Corporate Governance for Executives (CGE) 4/2015</li> <li>- Driving Company Success with IT Governance (ITG) 1/2016</li> <li>- Director Certification Program (DCP) 253/2018</li> </ul> </li> </ul>	0.011 (In name of himself 73,125 shares) (No share- holding changed in 2020)	- None -	2019 - Present	Managing Director	Thai Aviation Refuelling Co., Ltd.	- None -
					2019 - Present	Consultant to Executive Chairman	Bangkok Aviation Fuel Services PCL.	
					2006 - Present	Director	Thai Aviation Refuelling Co., Ltd.	
					2017 - 2019	Director Attached to Executive Chairman	Bangkok Aviation Fuel Services PCL.	
					2006 - 2019	Senior Operations Director	Thai Aviation Refuelling Co., Ltd.	


Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Gritt Madisara</b> Consultant to Executive Chairman	44	<ul style="list-style-type: none"> <li>Master of Business Administration, Kasetsart International MBA, Kasetsart University</li> <li>Bachelor of Engineering, Sirindhorn International Institute of Technology, Thammasat University</li> <li>Programs organized by the Thai Institute of Directors (IOD)</li> <li>Director Certification Program (DCP) 261/2018</li> </ul>	0.006 (In name of spouse 35,400 shares) (No share-holding changed in 2020)	- None -	2020 - Present	Director	SDLT Co., Ltd	- None -
					2020 - Present	Director	P.S. Solutions and Consulting Co., Ltd.	
					2020 - Present	Chief Executive Officer, and Chief Innovation Officer	BAFS Innovation Development Co., Ltd.	
					2017 - Present	Director - Attached to Executive Chairman Office	Bangkok Aviation Fuel Services PCL.	
					2017 - Present	Director	BAFS Innovation Development Co., Ltd.	
					2017 - 2020	Depot Department Manager	Fuel Pipeline Transportation Co., Ltd.	
					2017 - 2020	Director	Intoplane Service Co., Ltd.	

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company <sup>(1)</sup> (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mr. Aniruth Boonyatirana</b> Director - Attached to Executive Chairman Office	56	<ul style="list-style-type: none"> <li>Master of Science Program in Renewable Energy, Naresuan University</li> <li>Bachelor of Engineering (Electrical Engineering), Sripatum University</li> <li>Bachelor of Education Program in Educational Technology, Srinakharinwirot University</li> <li>Intensive English Program at University of Delaware, USA</li> <li>Executive Financial - Management Course Faculty of Economics, Chulalongkorn University</li> <li>Programs organized by the Thai Institute of Directors (IOD)</li> <li>Director Certification Program (DCP) 300/2020</li> </ul>	0.011 (in name of himself 67,500 shares) (No share- holding changed in 2020)	- None -	2018 - Present	Director and Managing Director	BAFS INTECH Co., Ltd.	- None -
					2018 - Present	Director - Attached to Executive Chairman Office	Bangkok Aviation Fuel Services PCL.	
					2014 - 2018	Technical Deputy Director	Bangkok Aviation Fuel Services PCL.	

Remarks: <sup>(1)</sup> Including the shares of spouse and minor children  
<sup>(2)</sup> Specific experience related to the Company's business


## Details of the Person Assuring Overall Responsibility In Accounting and Finance (CFO), Chief Accounting and Corporate Secretary (As of December 31, 2020)

Name/Position	Age (Year)	Education/Certification	Share-holding of the Company (%) <sup>(1)</sup>	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Miss Prapis Ruthairung</b> Director - Finance & Accounting and Chief Financial Officer (the person assuring overall responsibility in accounting and finance (CFO))	59	<ul style="list-style-type: none"> <li>• Master of Business Administration, Commerce and Accountancy Faculty, Chulalongkorn University</li> <li>• Bachelor of Economics, Faculty of Economics, Thammasat University</li> <li>• Programs organized by the Thai Institute of Directors (IOD)               <ul style="list-style-type: none"> <li>- Director Certification Program (DCP) 261/2018</li> <li>- Boardroom Success through Financing &amp; Investment (BFi) 6/2019</li> </ul> </li> <li>• Pursuit of New Financial Reporting Standards Effective in 2019 and 2020 (Class 3/18), Federation of Accounting Professions under the Royal Patronage of His Majesty the King</li> <li>• TLCA CFO Professional Development Program (TLCA CFO CPD) organized by Thai Listed Companies Association (10 Hours)               <ul style="list-style-type: none"> <li>- Transfer Pricing</li> <li>- Related Party Transaction and Impairment Issues</li> <li>- Capital Structure and Funding Strategy</li> <li>- How to Create Value with the Right Environment, Social and Governance Strategies</li> <li>- CFO's Role in Strategic Financial Communications</li> </ul> </li> </ul>	0.001 (In name of herself 4,000 shares) (No share-holding changed in 2020)	- None -	2018 - Present	Director	BAFS INTECH Co., Ltd.	- None -
					2017 - Present	Director	Intoplane Services Co., Ltd.	
					2017 - Present	Director - Finance & Accounting	Bangkok Aviation Fuel Services PCL.	
					2016 - 2020	Director and Chief Financial Officer	BAFS Innovation Development Co., Ltd.	
					2015 - 2017	Deputy Finance & Accounting Director	Bangkok Aviation Fuel Services PCL.	

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mrs. Boondarick Vattanasup</b> Senior Manager - Managerial Accounting (the person taking responsibility in chief accounting)	57	<ul style="list-style-type: none"> <li>Master of Business Economics, Faculty of Economics, Kasetsart University</li> <li>Bachelor of Business Administration, Assumption University</li> <li>Updated New Accounting Standards and Accounting Reports</li> <li>Financial Information Analysis for the Decision-Making of Executives</li> <li>Finance for Executives</li> <li>Must-Know New TFRS</li> <li>Digital Accounting Intelligence</li> <li>IFRS 9, Financial Instruments for Non-Financial Institutions (1 Day)</li> <li>IFRS 9, Financial Instruments for Non-Financial Institutions (2 Days)</li> <li>Comprehensive VAT System 2017</li> <li>Submission of financial statements via the e-Filing system</li> <li>Material Issues on Financial Statements 2015 for the Single Account (Class 1/2016)</li> <li>TFRS 9 Financial Instruments and Related Financial Reporting Standards</li> <li>Annual Seminar on Related Financial Reporting Standards and Taxation</li> </ul>	0.011 (In name of spouse 73,125 shares) (No share-holding changed in 2020)	- None -	2008 - Present	Senior Manager - Managerial Accounting	Bangkok Aviation Fuel Services PCL.	- None -

Name/Position	Age (Year)	Education/Certification	Share- holding of the Company <sup>(1)</sup> (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
		<ul style="list-style-type: none"> <li>• TFRS 2017</li> <li>• Uplifting the Business Management Quality for Service Business by the e-Filing (Class 12) (Afternoon Session)</li> <li>• Pursuit of Accounting 2015 and Tax Issues</li> <li>• Financial Statement Analysis for Business Planning and Decision-Making</li> <li>• Similarities and Differences between Accounting and Taxation Principles 2015</li> <li>• Transfer Pricing Law, Revenue Department (6 Hours)</li> <li>• New Developments in the Laws on Provident Fund and Tax Burden, Association of Provident Funds (6 Hours)</li> <li>• Similarities and Differences between Accounting and Taxation Principles of New TFRS, Federation of Accounting Professions (6 Hours)</li> <li>• PAEs Accounting Standards Applied in 2019, Federation of Accounting Professions (6 Hours)</li> <li>• Examining TFRS 9, TFRS 15 and TFRS 16 Standards, Stock Exchange of Thailand (12 Hours)</li> </ul>						

Name/Position	Age (Year)	Education/Certification	Share- holding of the (1) Company (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type (2)	
		<ul style="list-style-type: none"> <li>What the Business will Gain from the Use of e-Tax Invoice and e-Receipt, Revenue Department (3 Hours)</li> <li>Management and Digital Cost Accounting Principles, Faculty of Accounting, Department of Accounting, Faculty of Business Administration, Kasetsart University (6 Hours)</li> <li>Similarities and Differences between Accounting and Taxation Principles of Must-Know New TFRS, NYC Management Company Limited (6 Hours)</li> </ul> <p>She is an accountant with qualifications and requirements for an accountant career in accordance with the criteria prescribed in the Announcement of Department of Business Development</p>						

Name/Position	Age (Year)	Education/Certification	Shareholding of the Company <sup>(1)</sup> (%)	Relationship with Management	Working Experiences in the 5 Preceding Years (As of December 31, 2020)			Illegal Record
					Time Period	Position	Organization/Company/ Business Type <sup>(2)</sup>	
 <b>Mrs. Parndao Sukhyanga</b> Corporate Secretary (the person taking responsibility in corporate secretary)	56	<ul style="list-style-type: none"> <li>Master of Business Administration, National University, San Diego USA</li> <li>Bachelor of Laws, Thammasat University</li> <li>Executive Program in Good Governance Promotion for Sustainable Development (Class 3), Institute for Good Governance Promotion</li> <li>CG code workshop, Deloitte Touche Tohmatsu Limited</li> <li>Business and Human Rights, The Stock Exchange of Thailand</li> <li>Programs organized by the Thai Institute of Directors (IOD)               <ul style="list-style-type: none"> <li>Company Secretary Program 9/2004</li> <li>Effective Minute Taking</li> <li>Board Reporting Program</li> <li>Company Reporting Program</li> <li>Anti-Corruption: The Practical Guide</li> <li>ASEAN CG Scorecard Coaching</li> </ul> </li> </ul> <b>Duties and Responsibilities of Corporate Secretary</b> Details can be found under the heading of Corporate Governance Structure	0.004 (In name of herself 18,750 shares) (No shareholding changed in 2020)	- None -	2016 - Present  2014 - 2016	Assistant Director; Corporate Secretary Office Assistant Director; Corporate Secretary and Social Affairs Office	Bangkok Aviation Fuel Services PCL. Bangkok Aviation Fuel Services PCL.	- None -

Remarks: <sup>(1)</sup> Including the shares of spouse and minor children

<sup>(2)</sup> Specific experience related to the Company's business



## Details of Directorships of the Board of Directors and Executives of BAFS in Subsidiaries, Associates, and Related Companies As of 31 December 2020

Name of Director <sup>3)</sup>	Parent Company	Subsidiaries						Related Companies					
	Bangkok Aviation Fuel Services PCL.	Thai Aviation Refuelling Co., Ltd.	Intoplane Services Co., Ltd.	Fuel Pipeline Transportation Co., Ltd.	BAFS Innovation Development Co., Ltd.	BAFS INTECH Co., Ltd.	BAFS Clean Energy Corporation Co., Ltd.	Thai Airways International PCL	Shell Company of Thailand Ltd	PTT Oil and Retail Business Public Company Limited	Airports of Thailand PLC.	Exxon Mobil Limited	Bangkok Airways Public Co., Ltd
Mr. Palakorn Suwanrath	X	/											
M.R. Supadis Diskul	/	/		X	X	X	/						
Mr. Prakobkiat Ninnad	/ and //	/	X	/	/	/	/						
Mr. Chai Eamsiri <sup>1)</sup>	/							/					
Mr. Cherdphan Chotikhun <sup>2)</sup>	/							/					
Mr. Puttipong Prasarttong-Osoth	/			/									/ and //
Mr. Nitinai Sirismatthakarn	/										//		
Mr. Chumpol Surapittayanont <sup>3)</sup>	/									//			
Mr. Kongsiam Chinwanno	/											//	
Mr. Saksith Srilerfar <sup>4)</sup>	/								//				
Mr. Aswin Kongsiri	/						X						
Mr. Visut Montriwat	/	/					/						
Mr. Pachara Yutidhammadamrong	/	/					/						
Mr. Pipat Purnananda	/	/											
Mr. Nattapong Samit-ampaipisarn <sup>5)</sup>	/							//					
Squadron Leader Soradej Namruangsi <sup>6)</sup>	/							//					
Mr. Rungroj Sivachan <sup>7)</sup>	/								//				
Mr. Peratak Autadej <sup>8)</sup>	/									//			

Remarks:

X = Chairman of the Board of Directors / = Director // = Executive

<sup>1)</sup> Being appointed as Director, effective from October 8, 2020 <sup>2)</sup> Being appointed as Director, effective from May 13, 2020 <sup>3)</sup> Being appointed as Director, effective from July 16, 2020

<sup>4)</sup> Being appointed as Director, effective from May 13, 2020 <sup>5)</sup> Resigned from director position, effective from July 20, 2020 <sup>6)</sup> Resigned from director position, effective from October 1, 2020

<sup>7)</sup> Resigned from director position, effective from March 31, 2020 <sup>8)</sup> His term expired, effective from July 16, 2020 <sup>9)</sup> No director holds directorship in associates.

Name of Director	Parent Company	Subsidiaries						Associates			Related Companies					
		Thai Aviation Refuelling Co., Ltd.	Intoplane Services Co., Ltd.	Fuel Pipeline Transportation Co., Ltd.	BAFS Innovation Development Co., Ltd.	BAFS INTECH Co., Ltd.	BAFS Clean Energy Corporation Co., Ltd.	BPTG Co., Ltd.	SDLT Co., Ltd	P. S. Solutions and Consulting Co., Ltd.	Thai Airways International PCL	Shell Company of Thailand Ltd	Airports of Thailand PLC.	PTT Oil and Retail Business Company Limited	Exxon Mobil Limited	Bangkok Airways Public Co., Ltd
Mr. Prakobkiat Ninnad	/ and //	/	X	/	/	/	/	/								
M.L. Nathasit Diskul	//	/	/	/	/	/	/ and //									
Mr. Charoen Charusalaipong	//			/ and //												
Mr. Kanit Seetong	//		/													
Mr. Suwathai Patcharasaengthong	//															
Miss Prapis Ruthairung	//		/			/										
Mrs. Jirapat Charoenbhantraks	//															
Miss Yuphaadee Tongaroonsri	//		/ and //													
Mr. Nattapol Narkuam	//		/		/											
Mrs. Mayuree Nalinwong	//															
Miss Saowapak Jungpattanaphong	//															
Mr. Pariwat Vattanasup	//	/ and //														
Mr. Gritt Madisara	//				/ and //				/							
Mr. Aniruth Boonyatirana	//					/ and //										

Remark:

X = Chairman of the Board of Directors / = Director // = Executive

## Enclosure 2: Details of Directors of Subsidiaries

List of Directors of Subsidiaries as of December 31, 2020 was as follows:

Director's name	Thai Aviation Refuelling Co., Ltd.
1. Mr. Sirote Duangratana	X
2. Mr. Pariwat Vattanasup	/ and //
3. M.R. Supadis Diskul	/
4. Mr. Prakobkiat Ninnad	/
5. M.L. Nathasit Diskul	/
6. Mr. Pachara Yutidhammadamrong	/
7. Mr. Visut Montriwat	/
8. Mr. Pipat Purnananda	/
9. Mrs. Chadanisa Chumnavej	/

Director's name	Fuel Pipeline Transportation Ltd.
1. M.R. Supadis Diskul	X
2. Mr. Charoen Charusalaipong	/ and //
3. Mr. Loyleuan Bunnag	/
4. Mr. Prakobkiat Ninnad	/
5. M.L. Nathasit Diskul	/
6. Mr. Chokchai Atsawarangsali	/
7. Mr. Singto Pichetwong	/
8. Mr. Rangsun Puangprang	/
9. Mr. Puttipong Prasarttong-Osoth	/

Director's name	Intoplane Services Co., Ltd.
1. Mr. Prakobkiat Ninnad	X
2. Miss Yuphadee Tongaroonsri	/ and //
3. M.L. Nathasit Diskul	/
4. Mr. Nattapol Narkuam	/
5. Miss Prapis Ruthairung	/
6. Mr. Kanit Seetong	/
7. Mr. Chaipruet Watchareecupt	/

Director's name	BAFS Innovation Development Co., Ltd.
1. M.R. Supadis Diskul	X
2. Mr. Prakobkiat Ninnad	/
3. M.L. Nathasit Diskul	/
4. Mr. Nattapol Narkuam	/
5. Mr. Gritt Madisara	/ and //
6. Miss Rawinda Punnahitanon	/ and //
7. Mr. Thinakorn Thianprathum	/


Director's name	BAFS INTECH Co., Ltd.
1. M.R. Supadis Diskul	X
2. Mr. Prakobkiat Ninnad	/
3. M.L. Nathasit Diskul	/
4. Miss Prapis Ruthairung	/
5. Mr. Aniruth Boonyatirana	/ and //
6. Mr. Somkit Phanich	/
7. Mr. Vasawat Mekaew	/

Director's name	BAFS Clean Energy Corporation Co., Ltd.
1. Mr. Aswin Kongsiri	X
2. M.R. Supadis Diskul	/
3. Mr. Prakobkiat Ninnad	/
4. M.L. Nathasit Diskul	/ and //
5. Mr. Pachara Yutidhammadamrong	/
6. Mr. Visut Montriwat	/
7. Mr. Loyleuan Bunnag	/
8. Mr. Singto Pichetwong	/
9. Mr. Varah Sucharitakul	/


Remark: / = Director  
X = Chairman  
// = Management

## Enclosure 3 : Details of the Chief Audit Executive and the Chief Compliance Officer (As of December 31, 2020)

### 1. Details of the Audit Executive

Name/ Position	Education	Working Experiences		Related Trainings	
		Time Period	Position	Company	Course/Certificate
 <b>Mrs. Mayuree Nalinwong</b> <b>Director - Internal Audit Office</b> (The Chief Audit Executive)	<div>- MBA, Ramkhamhaeng University</div> <div>- Bachelor of Accounting, Thammasat University</div>	2014 - Present	Director - Internal Audit Office	Bangkok Aviation Fuel Services PCL.	- Public Economics Management for Executives
		2012 - 2014	Executive of Internal Audit	Bangkok Aviation Fuel Services PCL.	- Certificate of Business Management for Internal Audit
					- Anti - Corruption: The Practical Guide
					- Corruption Risk & Control: Technical Update (CRC) 2/2019
					- Road to Certify CAC
					- New Financial Reporting Standards
					- Risk management
					- Corporate Governance Auditing
					- Revenue Code with Accountant
					King Prajadhipok's Institute
					Federation of Accounting Professions
					The Thai Institute of Directors (IOD)
					The Thai Institute of Directors (IOD)
					The Thai Institute of Directors (IOD)
					Federation of Accounting Professions
					Federation of Accounting Professions
					Federation of Accounting Professions
					Federation of Accounting Professions

## 2. Details of the Chief Compliance Officer

Name/ Position	Education	Working Experiences		Related Trainings	
		Time Period	Position	Company	Course/Certificate
 <b>Mrs. Parndao Sukhyanga</b> <b>Corporate Secretary</b> (the Chief Compliance Officer)	- Master of Business Administration, National University, San Diego USA - Bachelor of Laws, Thammasat University	2016 - Present	Assistant Director; Corporate Secretary Office	Bangkok Aviation Fuel Services PCL.	- Executive Program in Good Governance Promotion for Sustainable Development (Class 3)
		2014 - 2016	Assistant Director; Corporate Secretary and Social Affairs Office	Bangkok Aviation Fuel Services PCL.	- Anti - Corruption: The Practical Guide - Company Reporting Program
					- Board Reporting Program
					- Effective Minute Taking
					- Company Secretary Program Class 9/2004
					- ASEAN CG Scorecard Coaching
					- CG code workshop
					- Business and Human Rights
					Institute for Good Governance Promotion
					The Thai Institute of Directors (IOD) The Thai Institute of Directors (IOD) The Thai Institute of Directors (IOD) The Thai Institute of Directors (IOD) The Thai Institute of Directors (IOD) The Thai Institute of Directors (IOD) Deloitte Touche Tohmatsu Limited The Stock Exchange of Thailand

### Duties and Responsibilities of the Chief Compliance Officer

The Chief Compliance Officer serves as the focal point for the Company's compliance with relevant laws, rules, articles of association, policies, and regulations of regulatory agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand.

## Enclosure 4: Operating Property and Details of Property Valuation

### 1) Operating Property of BAFS and Subsidiaries

1. Fixed operating assets of BAFS and subsidiaries as of December, 31 2020 can be detailed as follows:

#### Operating Assets of BAFS and Subsidiaries

(Unit : million Baht)

Characteristics	Characteristics of Ownership	Remaining Life (Years)	Net Book Value	Obligations
1. Land & land improvement Location : Suvarnabhumi, Lampang, Pichit, Kamphaeng Phet	Owned by BAFS	-	322.77	Yes, partly (**),(****)
2. Leasehold Improvement Location : Don Mueang	Owned by the subsidiary	2.97-12.62	3.65	None
3. Furniture fixtures and office equipment Location : Don Mueang, Suvarnabhumi, Bang Pa-In, Samui, Sukhothai	Owned by BAFS and the subsidiary	0.03-9.50	68.58	None
4. Main depot facilities Location : Don Mueang, Suvarnabhumi, Bang Pa-In	Owned by BAFS and the subsidiary	0.25-38.44	7,362.89	Yes, partly (**),(****)
5. Buildings and building improvement Location : Suvarnabhumi	Owned by the subsidiary	17.51-17.81	53.70	Yes (****)
6. Hydrant Equipment Location : Don Mueang	Owned by BAFS and the subsidiary	2.08-12.09	16.51	None
7. Intoplane substation Location : Don Mueang, Suvarnabhumi	Owned by BAFS	0.33-18.42	47.68	None
8. Vehicle Fleet Location : Don Mueang, Suvarnabhumi	Owned by BAFS	0.58-9.92	304.87	None
9. Motor vehicle & equipment under financial lease agreement Location : Don Mueang, Suvarnabhumi	Property obtained by financial lease agreement	-	0	None

(Unit : million Baht)

Characteristics	Characteristics of Ownership	Remaining Life (Years)	Net Book Value	Obligations
10. Works under construction / equipment under installation (*)	Owned by BAFS and the subsidiary	-	5,888.83	None
<b>Total</b>			<b>14,066.48</b>	

- Remarks: (\*) Property under construction was not included as depreciation cost. Therefore, the remaining life was not reduced.
- (\*\*) Some property of BAFS was under the building and state property land lease agreement as well as land in continuous use with buildings and Don Mueang Fuel Depot. The legal ownership in equipment and construction, built on state property land, belongs to the Ministry of Finance upon the termination of the 3-year lease agreement. However, BAFS has always renewed the lease agreement and expected to be able to renew it continuously.
- (\*\*\*) Fuel Pipeline Transportation Limited (Subsidiary) has mortgaged fuel pipeline and depot systems with net book value of 114 million Baht (2019: 211 million Baht) as of December 31, 2020, as a security for long-term liabilities according to the rehabilitation plan, and land and structures and fuel pipeline and equipment systems with net book value of 10,581 million Baht (2019: 8,919 million Baht) as of December 31, 2020, as a security for long-term loans.
- (\*\*\*\*) BAFS INTECH Company Limited (Subsidiary) has mortgaged land and structures with net book value of 92 million Baht (2019: 95 million Baht) as of December 31, 2020, as a security for long-term loans.

2. Other intangible assets for the business operations of BAFS and subsidiaries as of December 31, 2020 can be detailed as follows:

#### Intangible Assets for the Business Operations of BAFS and Subsidiaries

(Unit : million Baht)

Characteristics	Characteristics of Ownership	Remaining Life (Years)	Net Book Value	Obligations
1. Computer software Location : Don Mueang, Suvarnabhumi	Owned by BAFS and the subsidiary	0.05-4.94	26.60	None
<b>Total</b>			<b>26.60</b>	

3. Right-of-use assets according to lease agreements for the business operations of subsidiaries as of December 31, 2020 can be detailed as follows:

#### Right-of-Use Assets according to Lease Agreements for the Business Operations of Subsidiaries

(Unit : million Baht)

Characteristics	Characteristics of Ownership	Remaining Life (Years)	Net Book Value	Obligations
1. Right to use leased land of subsidiary Location Suvarnabhumi	Owned by the subsidiary	5.74	14.13	None
2. Subsidiary's right to use building under land lease agreement) Location Suvarnabhumi	Owned by the subsidiary	7.75-12.75	9.90	None
<b>Total</b>			<b>24.03</b>	



4. Project cost under concession agreements for the business operations of BAFS and subsidiaries as of December 31, 2020 can be detailed as follows:

**Project Cost under Concession Agreements for the Business Operations of BAFS and Subsidiaries**

(Unit : million Baht)

Characteristics	Characteristics of Ownership	Remaining Life (Years)	Net Book Value	Obligations
1.(*) Equipment, building and intoplane substation ) <b>Location : Suvarnabhumi</b>	Owned by Ministry of Finance	6	65.72	None
2.(*) Hydrant equipment of subsidiary under the apron <b>Location : Suvarnabhumi</b>	Owned by Ministry of Finance	16	895.55	None
3.(**) (Right to use leased land related to concession agreement )	Owned by Ministry of Finance	5.75	20.09	None
4.(***) Concession of a subsidiary <b>Location : Suvarnabhumi</b>	Owned by Ministry of Finance	15.75	402.94	None
<b>Total</b>			<b>1,384.30</b>	

- Remarks: (\*) The into-plane service system project agreement and the fuel hydrant system licensing agreement at Suvarnabhumi Airport, entered into between Airports of Thailand Public Company Limited and BAFS and Thai Aviation Refuelling Company Limited (Subsidiary), respectively, prescribe that BAFS transfers equipment, buildings, structures, and component parts of buildings and structures pursuant to the agreement where the ownership immediately belongs to the Ministry of Finance right after the completion of construction. While the subsidiary must transfer the ownership of fuel hydrant systems to Airports of Thailand Public Company Limited within 60 days before the commercial operation date. As of December 31, 2020, transfers of ownership of the two agreements were under process.
- (\*\*) BAFS invested in ordinary shares of Thai Aviation Refuelling Company Limited (Subsidiary). The consolidated financial statements showed a difference between such investment capital and shareholders' equity of the subsidiary as of the buying date as "concession charges of the subsidiary" and used straight line amortization for 30 years according to the concession period of the subsidiary from September 28, 2006 until the termination of the agreement.
- (\*\*\*) BAFS recorded the initial capital of right-of-use leased land relating to the concession agreement with cost price equal to the current value of obligations to land lease payments for the service operations pursuant to the concession agreement.

Details of Long-Term Property Lease Agreements of BAFS and Subsidiaries As of December, 31 2020

Type	Contract Party	Lease Term	Monthly Lease Fees (million Baht)	Contract Renewal
<b>BAFS</b>				
1. Hydrant pipeline under the apron at Don Mueang International Airport	Airports of Thailand Plc.	January 28, 2018 - January 27, 2021	2.67	3 years
2. Land area at Airport Depot (Don Mueang)	Treasury Department	January 1, 2018 - December 31, 2020	0.85	3 years
3. Area and building inside the apron at Don Mueang International Airport	Airports of Thailand Plc.	September 28, 2019 - January 27, 2021	0.90	3 years
4. Area outside the apron at Don Mueang International Airport	Airports of Thailand Plc.	September 28, 2019 - January 27, 2021	0.053	3 years
5. Land at Suvarnabhumi Airport	Airports of Thailand Plc.	September 28, 2006 - September 27, 2026	0.49	20 years
6. Refueller parking area inside the apron at Suvarnabhumi Airport	Airports of Thailand Plc.	October 1, 2018 - September 30, 2021	0.28	3 years
7. Room space inside Passenger Terminal Building at Suvarnabhumi Airport	Airports of Thailand Plc.	September 28, 2018 - September 27, 2021	0.06	3 years
<b>Subsidiaries</b>				
<b>TARCO</b>				
1. Area inside Passenger Terminal Building at Suvarnabhumi Airport	Airports of Thailand Plc.	September 28, 2018 - September 27, 2021	0.07	every 3 years
2. Land at Suvarnabhumi Airport	Airports of Thailand Plc.	September 28, 2018 - September 27, 2021	0.02	every 3 years
3. Land at Suvarnabhumi Airport ER-07	Airports of Thailand Plc.	August 1, 2017 - July 31, 2020	0.11	every 3 years
4. Room space inside parking bays (PA34-PA35)	Airports of Thailand Plc.	March 1, 2019 - February 29, 2022	0.01	every 3 years
5. Land at Suvarnabhumi Airport Depot	Bangkok Aviation Fuel Services Plc.	April 1, 2019 - December 31, 2021	0.01	every 3 years

Type	Contract Party	Lease Term	Monthly Lease Fees (million Baht)	Contract Renewal
<b>FPT</b>				
1. Land outside the fence at Suvarnabhumi Airport	Airports of Thailand Plc.	September 28, 2006 - September 27, 2026	0.13	20 years
2. Land for laying fuel pipelines	- State Railway of Thailand	March 1, 2014 - August 9, 2034	Jan - Dec = 1.12	20 years 5 months 9 days
	- State Railway of Thailand	February 28, 1992 - February 27, 2022	Jan - Dec = 2.1	30 years
	- State Railway of Thailand	August 24, 1992 - August 23, 2022	Jan - Apr = 0.44 May - Jul = 0.22 Aug - Dec = 0.46 Jan - Mar = 0.25	30 years
	- Expressway Authority of Thailand	September 1, 1992 - August 31, 2025	Apr - Jul = 0 (The Expressway Authority of Thailand exempted 4-month lease fees due to the COVID-19 situation) Aug = 0.25 Sep - Dec = 0.266	30 years
3. Land	Bangchak Corporation Plc.	April 1, 1993 - March 31, 2023	0.18	30 years
4. Jointly use utilities for fuel services stations and oil pumping stations	Bangchak Corporation Plc.	April 1, 1993 - March 31, 2023	0.14	30 years
5. Land for gas or fuel oil business (PTT is the sole user)	State Railway of Thailand	March 1, 2014 - August 9, 2034	8.01 (per year)	20 years 5 months 9 days

## 2) Details of Property Valuation

-None-

## Enclosure 5: Corporate Governance Policy and Practices and Code of Conduct

BAFS has made available a corporate governance policy and practices and Code of Conduct (Full Version) on the website: <https://www.bafsthai.com>, under the heading of “**Good Corporate Governance**” as follows:

- (1) Good Corporate Governance and Anti-Corruption Policy via the link <https://bit.ly/3fhSlv5>
- (2) Code of Conduct via the link <https://bit.ly/3tO1WxY>

BAFS has also made available the Charters of the Board of Directors and each Subcommittees (Full Version) on the website: <https://www.bafsthai.com>, under the heading of “**Good Corporate Governance**” as follows:

- (1) Board of Directors Charter
- (2) Audit Committee Charter
- (3) Remuneration Committee Charter
- (4) Nomination and Corporate Governance Committee Charter
- (5) Risk Management Committee Charter
- (6) Corporate Sustainability Committee Charter

The above Charters can be found via the link <https://bit.ly/2O0xO3e>.



## Enclosure 6: Report of the Audit Committee for the Year 2020

### Dear Shareholders of Bangkok Aviation Fuel Services Public Company Limited

The Audit Committee of Bangkok Aviation Fuel Services Public Company Limited (BAFS) consists of 3 independent directors, namely, Mr. Pachara Yutidhamdamrong as Chairman of the Audit Committee and Mr. Visut Montriwat and Mr. Pipat Purnananda as Audit Committee Members. Mrs. Mayuree Nalinwong serves as Secretary of the Audit Committee. All members of the Audit Committee have all qualifications as specified in the Audit Committee Charter and in accordance with the regulations of the Securities and Exchange Commission (SEC).

The Audit Committee has performed its duties within the scope of duties and responsibilities as delegated by the Board of Directors and in accordance with the regulations of the Stock Exchange of Thailand (SET). In 2020, the Audit Committee held 7 meetings attended by all members of the Audit Committee, which were held with the executives, Secretary of the Risk Management Committee, the compliance officer, the internal auditor, the IT auditor as well as the external auditor in related matters. The essence of the meetings can be summarized as follows:

1. **Review of Financial Statements:** The Audit Committee reviewed quarterly and annual consolidated and separate financial statements of the year 2020, which were reviewed and audited by the external auditor. The Audit Committee questioned and listened to clarifications from the executives and the external auditor on the accuracy, completeness and reliability of the financial statements, significant changes affecting the financial statements, Thai Financial Reporting Standards, accounting policy, information disclosure, independence and key audit partner rotation. The Audit Committee acknowledged the 2020 audit plan as well as attended 3 meetings with the external auditor without the management to discuss financial audit overview and independence. The Audit Committee also provided opinions and suggestions to the Board of Directors on a quarterly basis. The Audit Committee viewed that the external auditor was independent and had no performance problems or obstacles as well as agreed with the external auditor that such financial statements present fairly, in all material respects in accordance with the Thai Financial Reporting Standards.
2. **Review of Operation Information and Internal Control System:** The Audit Committee reviewed Operation Information and internal control system to assess the adequacy, appropriateness and effect of the internal control system. The Audit Committee considered an internal control system sufficiency evaluation form prepared by the SEC, internal audit reports, internal control system and risk management evaluation results conducted by the internal auditor and internal control system efficiency evaluation results conducted to provide opinions on financial statements by the external auditor. The Audit Committee viewed that BAFS had in place the adequate and appropriate internal control system as well as sufficient workforce to operate its internal control system efficiently. BAFS also monitored and oversaw its subsidiaries' operations to ensure that the assets of BAFS and subsidiaries were protected from being wrongfully used by their directors or executives and no significant flaws were found in their internal control system.
3. **Review of Internal Audit:** The Audit Committee reviewed the internal audit system to ensure that internal audit activities were performed appropriately and effectively in terms of mission, scope of work, duties and responsibilities, manpower, training plans, budget and independence of Internal Audit Unit. The Committee also approved the 2020 internal audit plan which was prepared based on risk factors such as consistency of corporate strategies, corporate risks, quality of the internal control system and previous audit results, etc. In addition, the Audit Committee regularly reviewed compliance with business ethics and anti-corruption measures on a yearly basis as well as the internal audit plan at least once a year to ensure that it was suitable for and consistent with risk factors. The Audit Committee also reviewed the internal audit and IT audit reports prepared by the independent external expert as well as evaluated performance of Head of the Internal Audit Unit in accordance with KPIs system (Key Performance Indicators). In this regard, appointment, transfer or dismissal of the Head of Internal Audit Unit must be approved by the Audit Committee. The Audit Committee viewed that BAFS's internal audit system was appropriate, effective

and independent and its yearly internal audit plan was consistent with BAFS's goals and risks and linked to the sustainability strategy and the operational results of internal auditor team which were achieved according to the specified goals. Moreover, its internal audit quality in terms of workforce and professional practices was constantly developed.

4. **Review of Risk Management System:** The Audit Committee reviewed the risk management system and internal control system to manage the overall risks. In 2020, the Audit Committee held 6 meetings with the Secretary of the Risk Management Committee and regularly provided opinions and suggestions such as on the identification of problems and obstacles that may affect to BAFS and subsidiaries' operations and solutions to the Risk Management Committee and the Board of Directors on a quarterly basis. The Audit Committee viewed that BAFS had efficiently and effectively operated in compliance with the risk management system.
5. **Review of Compliance with the Law on Securities and Exchange, Regulations of the Stock Exchange of Thailand and Laws Related to BAFS's Business as well as Compliance with BAFS's Regulations and Obligations to Third Parties:** The Audit Committee reviewed legal compliance and viewed that no material issues, regarded as non-compliance with the laws, BAFS's regulations and obligations to third parties, were found.
6. **Consideration of Connected Transactions or Transactions that may have Conflict of Interest:** The Audit Committee considered and provided opinions about connected transactions or transactions that may have conflict of interest; while BAFS established its practices and set up a Compliance Unit to oversee compliance with the laws, the SEC's regulations and BAFS's regulations. The Audit Committee viewed that the aforementioned transactions were reasonable and beneficial to BAFS and subsidiaries' business operations.
7. **Review of Good Corporate Governance:** The Audit Committee reviewed the appropriateness of compliance with the self-assessment form in terms of anti-corruption measures prepared by the Private Sector Collective Action Coalition against Corruption (CAC) as well as the Code of Conduct. The Audit Committee viewed that BAFS had properly complied with such anti-corruption measures as well as its Code of Conduct. BAFS also clearly and adequately conducted an anti-corruption risk assessment and had appropriate internal control system to manage risks. In 2020, BAFS's membership of CAC was renewed.
8. **Review of the Audit Committee Charter:** The Audit Committee reviewed its Charter to ensure the appropriateness and consistency with the regulations of SEC and SET as well as the 2017 Corporate Governance Code for Listed Companies, and regularly submitted it to the Board of Directors on a yearly basis.
9. **Consideration of the Results of the Audit Committee's Collective Assessments and Self-Assessments** The Audit Committee considered the Audit Committee's 2020 performance assessment results and found that the Audit Committee had completely performed its duties as stipulated in the Audit Committee Charter. The performance assessment topics included duties and responsibilities, meetings, financial reporting, internal control, internal audit, compliance with the laws and regulations, risk management, selection of auditors and so on.
10. **Preparation of the Audit Committee's Activity Reports:** The Audit Committee prepared activity reports to be proposed to the Board of Directors Meeting on a quarterly basis to report its activities according to the duties stipulated in the Audit Committee Charter.
11. **Consideration of External Auditor's Selection, Nomination and Remuneration:** The Audit Committee considered the selection, nomination and remuneration of external auditor for the year 2021 to be proposed to the Board of Directors for consideration and the Shareholders' Meeting for approval. The Audit Committee selected the external auditor pursuant to the selection criteria and process and found it appropriate to appoint Miss Vissuta Jariyathanakorn, Certified Public Accountant Registration No. 3853 or Miss Kosum Cha-em, Certified Public

Accountant Registration No. 6011 or Mrs. Kunlapee Piyawannasuth, Certified Public Accountant Registration No. 6137 from the EY Office Limited to be BAFS's external auditor for the year 2021 with the audit fee of 1,300,000 Baht, exclusive of out of pocket expenses.

The Audit Committee provided opinions about the nomination and remuneration of external auditor as follows:

- The Audit Committee selected 3 auditors from the audit firm pursuant to BAFS's selection criteria and process and considered the firm report evaluated by SEC. It was found that EY Office Limited received the highest scores in the technical and financial criteria.
- The audit fee rate of EY Company Limited was appropriate for the current situation and in alignment with workload due to the impacts arising from the Coronavirus Disease (COVID-19) outbreak. Therefore, the Audit Committee proposed the audit fee for the year 2021 at 1,300,000 Baht, which decreased from the previous amount of 1,530,000 Baht in 2020 or represented a decrease of 230,000 Baht or 15 percent of the audit fee for the year 2020.
- BAFS complied with the SEC regulations in terms of external auditor rotation. In 2021, there was a proposal to change one auditor, namely Mrs. Kunlapee Piyawannasuth, to replace Mr. Termphong Opanaphan, an auditor in 2020, who had been rotated to perform other tasks.
- The external auditors were independent without relationships and/or conflict of interest with BAFS/subsidiaries/executives/majority shareholders or related persons.

To summarize, with knowledge, capabilities and independence, the Audit Committee fully performed its duties as specified in the Audit Committee Charter which was approved by the Board of Directors and provided opinions and suggestions to the management, the Risk Management Committee and the Board of Directors continuously. The Audit Committee also viewed that BAFS had reported financial and operation information correctly and completely and had in place appropriate and effective internal control, internal audit and risk management systems. BAFS conducted its businesses in compliance with the laws, regulations and obligations and processed all connected transactions correctly. At the same time, BAFS promoted good corporate governance, reviewed the Audit Committee Charter, conducted performance assessments and regularly reported the Audit Committee's activities as well as had in place the external auditor selection, nomination and remuneration processes. Additionally, based on the Corporate Governance Report of Thai Listed Companies 2020 prepared by the Thai Institute of Directors (IOD), BAFS was ranked in excellent level like in the previous year.

February 10, 2021

On behalf of the Audit Committee



(Mr. Pachara Yutidhammadamrong)

Chairman of the Audit Committee







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