

MANAGEMENT

Top 10 shareholders

Following is the list of top 10 shareholders of PTT as of April 10, 2002 (the closing date of shareholders' roster for the General Shareholders' Meeting No. 1/2545 on April 29, 2002).

Paid-up capital of PTT was equal to Baht 27,972,457,250.

Rank	List of Shareholders	No. of Shares	% of Total Shares
1.	Ministry of Finance	1,937,793,600	69.27
2.	Morgan Stanley & Co International Limited	66,008,500	2.36
3.	State Street Bank and Trust Company	36,159,678	1.29
4.	Chase Nominees Limited 1	26,312,391	0.94
5.	HSBC (Singapore) Nominees Pte., Ltd.	21,575,500	0.77
6.	The Bank of New York (Nominees) Limited	18,271,700	0.65
7.	Social Security Office	17,140,000	0.61
8.	Government Pension Fund	12,000,000	0.42
9.	Bankers Trust Company	9,236,300	0.33
10.	Littledown Nominees Limited 5	9,118,000	0.32

Board of Directors

As of December 31, 2002, PTT's Board of Directors consisted of 14 directors as follows:

Name	Position
1. Mr. Manu Leoparote	Chairman
2. General Akaradej Sasiprapha	Director
3. Police General Sant Sarutanond	Director
4. Mr. Chaiwat Wongwattanasan	Director
5. Mr. Cherdpong Siriwit	Director
6. Mr. Wisudhi Srisuphan	Director
7. Mr. Sunthad Somchevita	Director
8. Mr. Pala Sookawesh	Director
9. Mr. Olarn Chaipravat	Director
10. Mr. Somchai Wongsawat	Director

Name	Position
11. Mr. Pisanu Suntharaks	Independent Director
12. Mr. Chakrawut Salayabongs	Independent Director
13. Mr. Chongrak Rarueysong	Independent Director
14. Mr. Viset Choopiban	Director and Secretary

- N.B. 1. Mr. Chulchit Bunyaketu's directorship expired on April 29, 2002 and Mr. Somchai Wongsawat was appointed by the Shareholders' Meeting as his replacement.
2. Mr. Wissanu Krea-Ngam resigned on October 1, 2002.

Directors authorized to sign on behalf of the Company

The directors whose signatures are recognized as binding on the Company are: (1) Mr. Viset Choopiban authorized to sign and affix the Company's seal, or (2) any other two directors, authorized to sign and affix the Company's seal.

Composition and Appointment of the Board of Directors

The composition, selection, appointment, removal, and expiration of the Company's directors have been defined in the regulations, which can be summarized as follows:

1. The Company's Board of Directors consists of at least five (5) persons but not more than fifteen (15) persons elected by a meeting of shareholders of the Company. The Board shall be comprised of at least three (3) independent directors, provided that at least half of the directors reside within the Kingdom of Thailand. The directors shall have qualifications as specified by law and the Company's regulations. At least one (1) of the directors shall be an expert in the field of accounting and finance.
2. The Shareholders' meeting shall elect directors who were previously selected and nominated by the Nomination Committee, under the following criteria and procedures:
 - (1) Each shareholder shall have one vote per share held.
 - (2) Each shareholder shall exercise all votes applicable under (1) in electing one or more persons to be a director, provided that no vote shall be divisible.
 - (3) Any candidate who has the most votes shall be elected as director up to the number of directors required. If two candidates have equal votes, the Meeting Chairman shall have a casting vote.
3. At every Annual General Meeting, one-third of the directors, or if their number is not divided by three, then the number nearest to one-third (1/3) shall retire from office in the first year. In the second year following the establishment of the Company, the retiring directors shall be drawn by lots. In the third year and subsequent years, the directors who have been longest in office shall retire.
4. Any director who wishes to resign from office shall submit a resignation letter to the Company. The resignation shall be effective on the date the notice reaches the Company.
5. In voting for the removal of any director from office prior to retirement as a result of the expiration of the directorship term, a three-quarter (3/4) vote of shareholders with an aggregate number of up to half (1/2) of all shares held by the shareholders present in the meeting and eligible to vote shall be required.

Duties and Responsibilities of the Board of Directors

According to the Articles of the Association of the Company, the Board has the power and duty to manage the Company in compliance with laws, objectives, regulations, and resolutions of Shareholders' Meetings with honesty, morals, and business ethics. The Board shall also carefully preserve the best interests of the Company and its shareholders.

The Board may assign one (1) director to be the Chairman and one (1) or several directors to be vice chairman as deemed appropriate, and assign one (1) director to be President and Secretary to the Board.

Duties and Responsibilities of the President

According to the Articles of the Association of the Company, the President shall have the full power and authority to administer the Company's business strictly in accordance with the Company's plan or budget approved by the Board in good faith with the utmost care to preserve the interests of the Company and shareholders. The President also has full power and authority in the following:

1. Manage and/or operate the day-to-day business of the Company.
2. Hire, appoint, remove, transfer, promote, demote, reduce the salary or wages of, take disciplinary action against, and dismiss any staff or employees as specified by the Board's regulations, except the dismissal of any department heads or other higher positions that shall be required prior to the approval of the Board.
3. Prepare and submit the Company's business plan, policy, and budget to the Board for its approval, and report the progress of the approved plan and budget to the Board every three months.
4. Manage or operate the business according to the approved policy, plan, and budget.

In addition, the Company's Board of Directors has conferred the following powers upon the President as a representative of the Company with the following conditions and scopes:

1. To administer the affairs of the Company according to the objectives and the regulations, policies, specifications, directives, orders, and resolutions of the Board of Directors and/or meetings of shareholders of the Company.
2. To order, contact, command, administer, and to sign legal instruments, contracts, documents, directives, announcements, and other documents required for dealing with government bodies, state enterprises, and other juristic persons, and to do whatever else is necessary or appropriate to ensure the performance of clause 1.
3. To command, recruit, appoint, dismiss, promote, demote, reduce the salary or wages of, or impose disciplinary punishment upon, employees including the dismissal of employees in accordance with the regulations or directives, or order laid down by the Board of Directors, except where the employee concerned holds the rank of an advisor, expert, vice president, or other person holding equal rank or higher, for which prior approval of the Board of Directors shall be required for said purpose. The President is also authorized to determine conditions of employment and to issue rules for corporate work procedures insofar as these do not conflict with the rules, regulations, or directives of the Board of Directors.
4. To appoint a subordinate attorney and/or delegate specific powers to other persons insofar as such appointment and/or powers fall within the scope of what has been described in this summary and/or are in accordance with the rules, regulations, and directives of the Board of Directors and/or the Company.

The aforementioned authority of the President shall be invalid if the President has wasted the interests of, or has any conflict of interest in any form with the Company.

Connected Transactions or Acquisitions or Disposal of Assets

If the Company or any of its subsidiary companies (that is over 50 percent of its paid-up capital is directly or indirectly held by the Company) enters into any connected transaction or acquisition or disposal of the substantial assets of the Company subject to the rules of the Stock Exchange of Thailand, the Company shall comply with the relevant rules. If the Company is obliged to request of the shareholders in relation to the entry into any connected transactions or any acquisition or disposal of the Company's substantial assets, a shareholders' resolution shall be approved by a three-quarter (3/4) vote of all shareholders present in person or by proxy and eligible to vote, provided that no votes given by any interested person shall be counted.

Policies and Methods of Supervising the Management in the Use of Internal Information for Personal Benefits

Directive No. 1/2544 of the Board of Directors of PTT mentions the use of internal information for personal interest, as follows, To prevent the pursuit of personal interest from the use of internal information that has not been publicly disclosed by PTT Public Company Limited, which may mislead investors and cause unjustified movements in the price and trading volume of the firm's securities, the Board of Directors of PTT Public Company Limited, has therefore passed a resolution in the Meeting No. 1/2544 on October 1, 2001 prohibiting directors, managers, employees, and contracted workers, as well as their spouses and under-age children from using such information which has not yet been publicly disclosed for the purpose of buying, selling, transferring, or accepting the transfer of the Company's securities prior to such information being publicly disclosed. Violators shall be penalized according to the rules and regulations of the Company. This directive became effective on October 1, 2001.

The Audit Committee

In the Meeting No. 1/2001 on October 1, 2001 of the Board of Directors, the qualifications for the Audit Committee were determined. Members of the Audit Committee must be Directors of the Company, appointed by the Board of Directors, and in compliance with laws of the Stock Exchange of Thailand. The Committee shall have not fewer than three (3) members and comprise at least one (1) individual with knowledge of accounting and finance. In this same meeting, a resolution was passed to appoint three (3) individuals to the Audit Committee, namely:

Name	Position
1. Mr. Chaiwat Wongwattanasan	Chairman
2. Mr. Olarn Chaipravat	Auditor
3. Mr. Chongrak Rarueysong	Auditor

In the same meeting, Mr. Trakul Chatdarong, Executive Vice President, the Office of Corporate Audit, was unanimously appointed as the Secretary to the Audit Committee.

The Scope of Duties and Responsibilities of the Audit Committee

1. To review the Company's financial reporting process to ensure accuracy and adequacy.
2. To ensure the Company has a suitable and efficient internal control system and internal audit system.
3. To review the performance of the Company to ensure compliance with the securities and exchange laws, regulations of the Exchange or laws relating to business of the Company.
4. To consider, select, nominate, and recommend remuneration of the Company's external auditor.
5. To review the disclosure of information of the Company in case that there is a connected transaction or transaction that may lead to conflict of interest so as to ensure the accurateness and completeness.
6. To prepare a report on monitoring activities of the Audit Committee and disclose it in an annual report of the Company, and have such a report signed by the Chairman of the Audit Committee.
7. To perform any other act as assigned by the Board of Directors with approval of the Audit Committee.
8. To perform any other act as designated according to the regulations of the Company.

The Nominating Committee

In the Meeting No. 1/2544 of the Board of Directors of PTT on October 1, 2001, the qualifications of the Nomination Committee were determined. The Committee must consist of not fewer than three (3) members, and at least one (1) independent director. In the same Meeting, a resolution was passed to appoint three (3) individuals to the Nomination Committee, namely:

Name	Position
1. Police General Sant Sarutanond	Chairman
2. Mr. Cherdpong Siriwit	Director
3. Mr. Chakrawut Salayabongs	Director

The Scope of Duties and Responsibilities of the Nominating Committee

1. To select appropriate individuals to fill the position of new director(s) or President of the Company.
2. To determine the method and criteria of nomination of the Company's director(s) or President, for the sake of transparency.

The Remuneration Committee

In the Meeting No. 1/2544 of the Board of Directors of PTT on October 1, 2001, the qualifications of the Remuneration Committee were determined. Committee members must be directors of the Company, appointed by the Board of Directors, and consist of at least three (3) persons, and comprise at least one (1) independent director. As a director, Mr.Chulchit Bunyaketu resigned on April 29, 2002. The Board of Directors, in Meeting No. 6/2002 on June 27, 2002, passed a resolution to appoint Mr. Wisudhi Srisuphan as a member of the Remuneration Committee. The Remuneration Committee, therefore, consists of three members, namely:

Name	Position
1. General Akaradej Sasiprapha	Chairman
2. Mr. Wisudhi Srisuphan	Director
3. Mr. Pisanu Sunthraraks	Director

The Scope of Duties and Responsibilities of the Remuneration Committee

1. To consider directions in determining remuneration for directors and the President.
2. To determine methods and criteria of specifying fair and reasonable remuneration for directors and the President, and to submit proposals to a meeting of shareholders for approval.

Management

The management of PTT shall follow the guidelines currently imposed through the following 11 committees:

1. PTT Management Committee (PTTMC)
2. Oil Business Group Management Committee (OBMC)
3. Gas Business Group Management Committee (GBMC)
4. Petrochemicals and Refining Business Group Management Committee (PRMC)
5. Corporate Plan Committee (CPC)
6. Corporate Finance & Accounting Committee (FAC)
7. Corporate Human Resources Committee (HRC)
8. PTT Credit Committee
9. Supply Chain Management Committee (SCMC)
10. Research and Technology Institute Board of Management Committee (RTBM)
11. Risk Management Committee

Names of Management as of December 31, 2002

(See page 49-61)

Additional Information related to directors and management of the Company:

Records of law breaking in the past 10 years concerning 1) Sentenced with criminal charges or under criminal lawsuits, except those charges due to the violations of traffic rules, minor charges or others of the same sort, 2) Sentenced to bankruptcy or have assets controlled, and 3) Being the management of, or a person with authority and control of, a company or partnership sentenced to bankruptcy or having assets controlled.

Corporate Governance

Corporate Governance Policies

PTT Public Company Limited is aware of the significance, and has the intention in running its business operations, of following a policy of good corporate governance as a major factor in enhancing the Company's efficiency and foundation of sustainable growth, as well as transparency. For the maximum benefit of all stakeholders, the PTT has formulated a

business operation philosophy, including expected standards of morals/ethics, of the Board of Directors, management and all personnel by issuing regulations on Good Corporate Governance Principles in B.E. 2544. PTT's corporate governance principles embrace 6 key philosophies:

- (1) Accountability: Responsibility for own decision making and actions, ability to explain and clarify rationale
- (2) Responsibility: Being responsible, performing duties to fullest capacity
- (3) Equitable Treatment: Being fair to all shareholders and able to provide clear and accurate information
- (4) Transparency: Transparent systems in operations that can be examined, providing information to stakeholders
- (5) Vision to create long term value: Optimization of shareholders' value for long-term and sustainable growth
- (6) Ethics : Having clear business ethics

Rights of Shareholders

In 2002, PTT organized one Shareholders' Meeting (The Petroleum Authority of Thailand was corporatized and established as the PTT Public Company Limited on October 1, 2001) to allow shareholders to consider and vote for various businesses of PTT as legally required. Invitation letters together with annual report/financial statements, and 3 types of proxy for shareholders to select as appropriate were sent 10 working days before the meeting date to all shareholders whose names appeared in shareholders' roster on the shareholders' roster closing date.

In 2003, PTT will add more choice for shareholders by allowing independent directors to be shareholders' proxy in the case shareholders cannot attend the meeting. PTT also has a policy to improve the information for shareholders' meetings to be more detailed as PTT realizes the significance of shareholders' rights in having access to PTT's information. Further details will thus be added for shareholders' consideration in terms of rationale, necessity, positive and negative impact of each agenda.

PTT has disclosed information to the Stock Exchange of Thailand with transparency. The Capital Market & Investor Relations Division is assigned to provide information and improve PTT's web site as a channel for investors to have equitable rights to get to the information.

Rights of Stakeholders

PTT has taken into account all stakeholders by clearly specifying directions in fulfilling the demand of each group of stakeholders in the handbook of Good Corporate Governance Principles of PTT Public Company Limited for the Board of Directors, the management and the personnel to abide by as practices in operation, regarded as important duties of all.

- Personnel : PTT considers personnel as a success factor. PTT will support and develop the capacity of professionalism, provide confidence in quality of working environment, with fair and appropriate returns.
- Business Partners : PTT will build up good relationships for mutual benefit and strictly abide by obligations to business partners.
- Competitors : PTT will abide by the framework of decent competition and not damage competitor's reputation through unfounded allegations.
- Creditors : PTT will preserve and strictly abide by conditions with creditors.
- Customers and the Public : PTT is determined to create satisfaction and confidence among customers and the public in receiving good and qualitative products and services at reasonable prices.

- Shareholders : PTT is determined to being a good representative of shareholders in transparent business operations by taking into consideration long-term growth of the company's value with good returns.
- Community, Society and Environment : PTT realizes and cares for the safety of society, environment and quality of life of people. PTT also constantly places priority on activities of communities and society by strictly abiding by the intention of laws and regulations.

Shareholders' Meeting

In organizing the Shareholders' Meeting in 2002, PTT sent invitation letters together with annual report/financial statements, and three types of proxy for shareholders for their selection were sent 10 working days before the meeting date to all shareholders whose names appeared in shareholders' roster on the shareholders' roster closing date. PTT also be publicized in newspapers informing of the meeting date and meeting agenda in both Thai and English for 3 days consecutively before the meeting date. In the meeting, six directors attended the meeting, including the Chairman of the Audit Committee. The Board of Directors allowed meeting participants to express their opinions and asked questions in each agenda, as well as expressing their ideas and suggestions, and allowing for discussion time as requested. The meeting was concluded with voting and vote counting. The Chairman of the Board of Directors had explained all rules before the meeting started.

Leadership and Vision

The Board of Directors shall review plan, vision, strategies and policies every year and approve significant strategies and policies. The Key Performance Index (KPI) of finance and plans had been approved early in the year, with periodic follow-up and monitoring. At year-end, the Board of Directors would present operating results under the supervision of the Board according to the Performance Agreement (PA). The Board would also acknowledge the operating results of the management and also specify the quarterly operating results for follow-up and consideration for further improvement of the management. The Audit Committee has been set up to closely watch over the operation.

Conflict of Interest

The Board of Directors has specified a policy on conflict of interest based on the principle that any decision of personnel at all levels in business operation must be based on maximum benefit to the PTT. It is the duty of all to avoid financial transactions and/or relations with outsiders that may make PTT lose benefit. The Office of Corporate Audit and the Audit Committee of PTT are entrusted to watch over, take care of and solve such conflict of interest. However, such problems have never occurred.

As for internal information, it is specified that the management is to report changes in their shareholding to the Securities and Exchange Commission according to Section 59 of the Securities and Exchange Act B.E. 2535. The management or any office that has acknowledged inside information is prohibited from disclosing inside information to outsiders or any other person who is not related and from buying/selling shares of the Company one month before the financial statements are released to the public.

Business Ethics

PTT formulated the Good Corporate Governance Principles to enable the operation of the Company to have a good management system with transparency and acceptance from all related parties. The principles, policies, morals, and ethics have been made into a handbook for the Board of Directors, the management, personnel and related parties to follow as directions in practices with highest standards. The Board of Directors, the management, personnel and all related parties signed their names in acknowledgment and agreed to put them into practice, regarded as significant duties of all. PTT shall monitor the compliance with such directions, and review and improve this handbook every year to be appropriate and up-to-date.

Balance of Power for Non-Executive Directors

The 14-member Board of Directors consists of 13 non-executive directors, and 3 independent directors, accounting for 20% of the Board. The Audit Committee, the Nomination Committee, and the Remuneration Committee were appointed to ensure higher efficiency of the Board of Directors.

Aggregation or Segregation of Positions

The Chairman of the Board of Directors is not the same person as the President. The power and authority are separated to segregate the duties in formulating supervision policies and day-to-day management.

Remuneration of the Board of Directors and the Management

- **Remuneration of the Board of Directors:** PTT clearly and transparently specifies a policy on the remuneration of the Board of Directors. The remuneration of the Board of Directors is classified into two parts. The first one is the meeting fee, which is a fixed rate, and the second one is regarded as a bonus, which is related to the operating results of the PTT. The Board of Directors shall conduct annual self-evaluation. The remuneration was approved by the Shareholders' Meeting and the information was disclosed, as appeared in 9.9.
- **Remuneration of the Management:** The Board of Directors shall specify the principles and policies that are related to operating results of the Company. The evaluation of the President shall be undertaken by the Board of Directors to approve appropriate remuneration.
- Remuneration in 2002 is illustrated in 9.9.

Meetings of the Board of Directors

PTT specifies the schedule for the monthly meetings of the Board of Directors in advance for the whole year on the 3rd Thursday of the month. Each meeting lasts about 3-4 hours. The Office of the President is to send an invitation letter together with meeting agenda and documents to each director 5-7 days before the meeting to allow sufficient time to study. In the meeting, directors can openly and freely express their opinions. Meetings are recorded in writing and meeting reports certified by the Board of Directors are kept for further verification of the Board and related persons.

The meeting attendance of the Board of Directors in 2002 is as follows:

Name	Attendance	All meetings (times)
1. Mr. Manu Leoparote	12	12
2. General Akaradej Sasiprapha	12	12
3. Police General Sant Sarutanond	7	12
4. Mr. Chaiwat Wongwattanasan	9	12
5. Mr. Cherdpong Siriwit	10	12
6. Mr. Wisudhi Srisuphan	10	12
7. Mr. Sunthad Somchevita	12	12
8. Mr. Pala Sookawesh	11	12
9. Mr. Olarn Chaipravat	9	12
10. Mr. Pisanu Sunthraraks	10	12
11. Mr. Chakrawut Salayabongs	12	12
12. Mr. Chongrak Rarueysong	10	12
13. Mr. Somchai Wongsawat (Appointed on April 29, 2002)	7	8
14. Mr. Viset Choopiban	12	12

Committees

The Board of Directors appointed three committees who are appropriately specialized and knowledgeable to help with the study and screening of certain work of the Company as follows: The Audit Committee, The Nomination Committee and The Remuneration Committee. Each is composed of non-executive directors, of which composition, duties and responsibilities appear in 9.3, 9.4 and 9.5.

Internal Control System and Internal Audit

The Board of Directors has measures in watching over management by approving plans, budgets and operational objectives. The management shall submit quarterly operational reports so that the Board can monitor and acknowledge their efficiency and effectiveness. In addition, the Board also monitors the operation of the management through the Audit Committee that is tasked with the review of the Company's financial reporting process to be accurate and adequate, as well as the Company's internal control system and internal audit to be appropriate and effective, and the Company's compliance with laws or other regulations concerning business operation.

- Internal Control : PTT has engaged a consulting company to evaluate the internal control of the whole company by considering 5 components i.e. environment of the control, risk evaluation, control activities, information and communication, and evaluation. These components help strengthen the internal control structure.
- Internal Audit : The Office of Corporate Audit performed its work regarding internal audit and according to the annual audit plan to a very high standard, which corresponded with the result of risk evaluation of the Company. The quarterly report was submitted to the Audit Committee.

The PTT appointed a Risk Management Committee to manage overall corporate risks, evaluate risks, and design the structure of corporate risk management to manage risks at an acceptable level.

Reports of the Audit Committee

The Audit Committee is to review financial reports on a quarterly basis. The Corporate Accounting Department and the Office of Auditor General joined the meetings and submitted financial reports to the Board of Directors on a quarterly basis. The Board of Directors is in charge of the consolidated financial statements of the PTT and its subsidiaries and associates and the financial information appearing in the Annual Report. Such financial statements are formulated according to generally accepted accounting standards, certified and examined by the Office of the Auditor General. Significant information, financial and non-financial information based on fact are also presented constantly and extensively.

Investor Relations

PTT places significance on the disclosure of correct, extensive, transparent and thorough information, as well as presentation and information disclosure of the Company to investors, shareholders, and related persons both directly and indirectly. This can be concluded as follows:

- Direct Method : PTT constantly and periodically presents work to analysts, investors, and personnel in the form of Analyst Meetings, Road Shows, Conference Calls, etc.
 - : Analysts, investors, and related persons can make company visits to meet with PTT's management to make any inquiry on operational progress.
- Indirect Method : PTT provides information about the Company, operational results, financial statements, and information reports submitted to the Stock Exchange of Thailand. Interested persons can read the information on PTT's web site at www.pttplc.com.
 - : In case of any inquiry, investors and related persons can also contact PTT through PTT's web site.

PTT set up the Capital Market & Investor Relations Division as a center in supervising the quality of the financial reporting process, as well as significant information with impact on PTT's share price.

The Board of Directors is specified to conduct self-evaluation in 2002 to correspond with the principles defined in the regulations of PTT Public Company on Good Corporate Governance Principles 2001. The evaluation embraces 6 items as follows:

Evaluation Items	Conclusion of the Board
1. Composition of the Board, Election, and Qualifications of the Board of Directors	- The criteria as already specified were considered appropriate. The nomination method of the Board of Directors was transparent and standardized. The appointment of directors was according to a specified agenda, and clear, with sufficient curriculum vitae for the decision of the Shareholders' Meeting. Directors were independent in working and expressing opinions in the meetings. During the year, directors did not perform any act with conflict of interest with the PTT.

Evaluation Items	Conclusion of the Board
2. Duties and Responsibilities of the Board of Directors	<ul style="list-style-type: none"> - Performed all duties to satisfy the demands/objectives of shareholders well, supervised safe investment with appropriate returns. - Specified good corporate governance by pushing/promoting and supervising the performance of management and personnel to be thorough and complete. - Was responsible, honest, fair, transparent, and created long-term value. - Disclosed information to investors, supervising agencies and the public with completeness, accuracy, adequacy and swiftness. - Acted as a leader in specifying strategic plans, significant policies, financial objectives and plans. - Confident of reliably using the accounting, financial reporting and accounting audit systems, including internal control, internal audit and risk management. - Watched over, supervised and solved any conflicts of interest that may have arisen. - Proper evaluation and remuneration specification of the President.
3. Meetings of the Board of Directors	<ul style="list-style-type: none"> - Overall meetings were efficient. Chairman of the Board of Directors supervised meetings efficiently, appropriate with time and directed everyone to participate in expressing their opinions freely. - Additional comment: meeting agenda should be sent 8 days before the meeting so that the Board of Directors has time to thoroughly read and understand significant issues.
4. Remuneration	<ul style="list-style-type: none"> - The Remuneration Committee provided good consultation in specifying remuneration for the Board of Directors and the President. Remuneration should be related to performance of the PTT and the work of each director. - Additional comment: present remuneration was quite low.
5. The receiving of significant information, necessary for the operation of the Board of Directors	<ul style="list-style-type: none"> - Most thought that the handbook of the Board of Directors had complete information and was useful. The Board of Directors thoroughly followed the handbook. - There should be lectures on issues necessary for first-time directors. - Directors were allowed to join seminars/lectures on company directorship on a regular basis. - Additional comment: some directors have limited time; therefore, seminar papers should be sent for study instead. In addition, significant issues of monthly operation/ important news/information informed to SEC/Executive Summary of executive meetings should be summarized for directors to understand the overall picture of movements in subsidiary management.
6. Additional Suggestions or What the Board wishes to implement in 2003	<ul style="list-style-type: none"> - More information on PTT's management structure - More information on subsidiaries - Executive enterprise - wide risk management system

The Board of Directors and the Audit Committee performed their duties in supervising PTT Public Company Limited according to the Code of Best Practice for the Boards of Directors of Listed Companies in accordance with the directions of the Stock Exchange of Thailand and regulations of the Company.

Remuneration of Management

(1) Total Remuneration of the Board of Directors

Unit: Baht

Remuneration	2001		2002	
	No.	Remuneration	No. ¹⁾	Remuneration
Bonus	15	3,404,687.52	14	9,000,000.00
Meeting Fee	15	2,060,000.00	14	5,160,000.00
Total		5,464,687.52		14,160,000.00

1) One committee resigned on September 30, 2002

(2) Total Remuneration of Management (excluding secondment)

Unit: Baht

Remuneration	2001		2002	
	No.	Remuneration ¹⁾	No. ²⁾	Remuneration
Total Salary	7	27,714,932.00	8	36,978,110.00
Total Bonus	7	11,547,888.33	8	13,866,791.25
Grand total		39,262,820.33		50,844,901.25

1) Remuneration amount shown in real paid

2) Including a management promoted on December 1, 2002

(3) Provident Fund for the Board of Directors and the Management (excluding secondment)

Unit: Baht

Type of Remuneration	2001		2002	
	No.	Remuneration	No.	Remuneration
Provident Fund	7	2,771,493.20	8	3,697,811.00
Total		2,771,493.20		3,697,811.00

Personnel

All employees, employees on probation, temporary employees and the Management of the Petroleum Authority of Thailand transferred to PTT Public Company Limited on the Company's registered date would receive salaries, wages, and fringe benefits to an amount that is not less than they previously received. Their tenure with the Petroleum Authority of Thailand shall be deemed their tenure with PTT Plc. with continuous effect and it shall not be considered that the transformation of the Petroleum Authority of Thailand into PTT Plc. resulted in the termination of their employment. In addition, the existing provident fund and pension fund for the Petroleum Authority of Thailand's employees transferred to PTT Plc. shall continue with PTT Plc., considered as the employer in lieu of the Petroleum Authority of Thailand.

(1) The number of personnel classified by major operations functions as of December 31, 2001 and December 30, 2002

Unit: person

Major Operations Functions	As of December 31, 2001	As of December 31, 2002
1. Gas Business	784	765
2. Oil Business	1,529	1,458
3. Support Function	844	831
4. Subsidiaries and Joint Ventures	711	1,288
Total	3,868	4,342

(2) Remuneration for Personnel (not including the Management)

Unit: Baht

Remuneration	2001 ¹⁾	2002
Salaries	1,590,700,462.95	1,795,467,849.31
Bonuses	669,062,226.78	663,316,454.81
Provident Fund	156,765,105.93	177,749,067.40
Others (if any)	500,627,899.10	664,347,807.30
Total	2,917,155,694.76	3,300,881,178.82

1) Remuneration amount show in real paid

(3) Other remuneration

PTT allocated 47,245,725 new common shares from an increase in capital for all employees, employees on probation, and top management, as well as personnel who resigned from PTT as part of the second Mutual Separation Plan for 2001 and retired personnel from PTT in 2001, with a value of 10 baht per share. The purpose of this program was to give employees a sense of ownership and foster a commitment to mutually developing the organization. If any shares are left over from the aforementioned allotment, PTT would allocate the remaining to the Provident Fund of PTT Plc.'s employees and listed subsidiaries/associate companies. A condition of this share allocation is that recipients are prohibited from selling their shares for three years. They may sell one-third (1/3) of their shares each year after the first year of ownership.