



Announcement of PTT Public Company Limited
Anti-Corruption Policy

PTT Public Company Limited (PTT) determines in honest, transparent and just business practice according to good corporate governance principle. We are intolerant to both direct and indirect corruptions in any forms. PTT signed in the Private Sector Collective Action Coalition Against Corruption (CAC) pledge and polices PTT personnel to seriously comply with PTT Anti-Corruption Policy.

Definition

‘Corruption’ means bribery in any form as follow;

1. Provide, offer, promise or agree to provide,
2. Accept or request for,

Money, assets or other benefits that are inappropriate for (i) government officer (ii) private officer or (iii) any relevant person in charge either directly or indirectly in order to do or refrain from their duty of which deliver or preserve inappropriate business affair or other business benefit. However, allowance by law, regulations, announcements, articles, local culture, local norm and business practice are acceptable.

‘PTT Personnel’ means director, executives and employee at any level.

‘Audit Committee’ means PTT Audit Committee which appointed from at least 3 independent directors qualified under the Securities and Exchange Commission Regulation on Audit Committee Qualification and Functional Description.

‘Corporate Governance Committee’ means PTT Corporate Governance Committee which appointed from at least 3 independent directors.

‘Enterprise Risk Management Committee’ means PTT Enterprise Risk Management Committee which appointed from at least 3 PTT directors and at least 1 of them is an independent director.

‘Executive’ means PTT executive at Vice President level or above.

Forms of Corruption:

Any actions that can cause corruption risks i.e. expenses on political, philanthropy donation, support, gift, hospitality and others.

Scope of Implementation:

This policy applies with PTT Personnel.

Duty and Responsibility:

1. Board of Directors
 - Establishes and monitor efficient Anti-Corruption system; ensures the management team awareness and attention to the Anti-Corruption scheme; embeds organizational Anti-Corruption culture.
 - Complies with the Anti-Corruption measures and punishes when non-compliance occurs.
2. Audit Committee
 - Monitors internal control, financial reporting and other Anti-Corruption related processes; and ensures compliance.
 - Reviews relevant measures and internal control to ensure efficient and effective Anti-Corruption measures.
 - Reviews risk assessment process and advice risk mitigation measures to PTT Board of Directors. The executive shall implement such advice.
 - Regularly reports internal audit results on the Anti-Corruption measures and provides relevant suggestions to the Board of Directors and executives.
3. Corporate Governance Committee
 - Establishes corporate governance framework related to the Anti-Corruption Policy.
 - Establish and review the Anti-Corruption Policy. Provide suggestions on performance review and assessment related to the Anti-Corruption Policy.
4. Enterprise Risk Management Committee
 - Reviews and supports Anti-Corruption risk management implementation by reviewing corruption risks and review appropriateness of the Anti-Corruption measures.
5. Executive
 - Establishes Anti-Corruption risk assessment in risky working processes.
 - Establishes encouragements and supports for the Anti-Corruption Policy and communications to employees and related parties.
 - Implements the Anti-Corruption Policy and framework continuously and entirely.
 - Updates relevant systems and measures with changes in business practice, regulations, articles and legal requirements.

Suggested Practices:

1. PTT Personnel shall not commit or involve in the Corruption; in both directly and indirectly forms of providing and accepting; and comply with the Anti-Corruption Policy, Corporate Governance, Ethical Standards and Code of Business Ethic Handbook, regulations and relevant articles.
2. PTT Personnel shall perform with care in receiving and providing gift, assets or other benefit including hospitality and other expenses. However, providing and receiving gifts and hospitality must have business or custom objective. The value of such gifts and hospitality must be appropriate and does not affect practical decision.
3. Philanthropy donations and supports by PTT shall have review, approval and audit processes. Document evidences must be precise and comply with PTT regulations. Such process can ensure that the gifts and hospitality are not used to cover the Corruptions.
4. PTT shall establish frequent reviewing process in sales and marketing operational systems and procedures, including procurement and contract drafting works. The relevant Corruption risk shall be appropriately assessed and mitigated.
5. PTT shall have human resource management system that reflects Anti-Corruption commitment. PTT will not demote, punish or affect PTT Personnel who decline the Corruptions practices although such decline cause lost in business opportunities. PTT shall have clear communication channel for such policy.
6. The internal control unit shall report control self-assessment result to internal audit unit for inspection. If any non-compliance to the Anti-Corruption Policy is found, a notice to improve controlling measures shall be issued to the non-compliance unit.
7. PTT shall establish documentation readiness and record keeping procedures for ensuring and auditing accuracy of the financial report and relevant procedures that no account has been missed, unexplainable or false.
8. PTT establish procedures to ensure that the internal controls of accounting and information storage have been internally audited. Such procedures shall ensure effectiveness of the Anti-Corruption measures and the financial report has enough evidences for audit.
9. PTT shall provide communication and training that genuinely educate PTT Personnel on the Anti-Corruption measures, PTT expectations and punishment for violation.

10. PTT communicates the Anti-Corruption Policy and practice to subsidiaries, affiliates and other controlled companies; business partners; and stakeholders including general public through various communication channels for notification and implementation of the Anti-Corruption Policy.
11. PTT Personnel shall neither relinquish nor tolerate potential violation of the Anti-Corruption measures. PTT shall establish whistle blowing channel and protection for the whistleblower. Such channel shall provide suggestions on the Anti-Corruption measures for personnel.
12. Corporate governance working group shall regularly report the Anti-Corruption performance to Corporate Governance Committee and the Board of Directors at least once a year.
13. Internal Audit Department can report urgent violation to the President and CEO, Audit Committee and the board of directors respectively.

Whistleblowing Policy and Whistleblower Protection:

The Whistleblowing Policy and Whistleblower Protection shall conform with PTT Public Company Limited Articles on Whistle Blowing Policy.

Penalty:

PTT shall establish appropriate punishment system on non-compliance and direct or indirect violating personnel against the Anti-Corruption Policy. Disciplinary punishment including redundant if deems necessary and legal procedure shall be considered.

PTT Personnel shall understand and comply with the Anti-Corruption Policy in every operating procedure. Either genuine or false Corruption accusation may defame PTT Personnel and PTT reputation. If any potential violation to this policy is found, please notify your direct executive or Office of President and Corporate Secretary.

Hereby announced on 4 July 2014

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(Mr. Pailin Chuchottaworn)

President and Chief Executive Officer