

# Section 2

## Corporate Governance

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## 6. Corporate Governance



### 6.1 Overview of CG Policy and Guidelines

As the national energy company with a state-owned enterprise status and a listed company on The Stock Exchange of Thailand (SET), PTT recognizes its vital mission of good and transparent management, establishing equitability among all stakeholders while striving to develop itself into a Corporate Governance (CG) role model. PTT believes that CG under good management will lead to fairness and investors' confidence, create long-term value for shareholders, boost stakeholders' confidence, and give the corporation the most suitable, efficient, and effective management system while enhancing its competitiveness for sustainable growth.

Since its privatization into PTT Plc., and distribution of its share on SET in late 2001, the Board of Directors has always prioritized CG policy and guidelines by formulating the CG policy and handbook, ethical standards, including ethics in business operations distributed to directors, executives and employees for acknowledgement and compliance. The handbook has been regularly revised to improve operational standards in accordance with SEC's and SET's CG Policies for listed companies (CG Code) as well as recommendations in Corporate Governance Report from Thai Institute Directors Association (IOD), including the principles of the Organization for Economic Co-operation and Development (OECD), the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard), and the Dow Jones Sustainability Indices (DJSI), together with best practices of leading international companies. With the revisions, these turn to be The "Corporate Governance, Ethical Standards and Code of Business Ethics Handbook" or CG Handbook (5<sup>th</sup> revision).

PTT has defined that corporate governance is part of the organization's vision, mission, and values. The goal is to be a company that drives every life through its business operations for sustainable growth and strengthen the national economy following the vision "Powering Life with Future Energy and Beyond." PTT is well-prepared to embrace the future lifestyle and support the advancement of innovation and technology (Technology for All), along with fostering business relationships (partnerships and platform) based on the principles of Corporate governance (CG), transparency and sustainability.

## Corporate Governance Policy

PTT has duly reviewed its CG Policy and handbook to suit prevailing laws and good practices, economic and changing social circumstances as well as requiring all directors, management, and employees to acknowledge it in writing and observing all policies in the course of their works for the commitment and the policy implementation. The Board's CG policy is as follows:

1. The Board of Directors ("The Board"), management, and all employees shall commit to PTT's six Good Corporate Governance Principles, namely Accountability, Responsibility, Equitable Treatment, Transparency, Vision to Create Long-term Value, and Ethics, with an organizational structure that fairly balances the roles of the Board, management, and shareholders.
2. The Board shall perform their duties with dedication, responsibility, and independence, and there shall be clear segregation between the roles and responsibilities of the Chairman and the President & CEO. The Board shall also define the Board's structure, composition, and qualifications for efficient and effective performance.
3. The Board and management shall play a vital role in formulating PTT's vision, strategies, policies, and key plans while taking into consideration risk factors and impacts, and shall oversee, monitor, define, and establish appropriate risk management with proper resource allocation, as well as ensure the reliability of accounting systems, financial reports, and accounting audits. PTT shall be engaged in ethical businesses with good corporate citizenship while encouraging innovation to adjust itself amid changes and strengthening sustainable long-term competitiveness.
4. The Board and management shall be the role models for ethics and perform duties under PTT's good corporate governance guidelines as well as oversee and resolve conflicts of interest and connected transactions.
5. The Board may appoint specific committees as deemed appropriate, to assist in prudently reviewing critical matters.
6. The Board shall perform an annual self-assessment to be used as a framework for reviewing the Board's performance.
7. The Board shall establish the PTT's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook which the Board, management and all employees must adhere to in parallel with PTT's Article of Association, regulations and rules.
8. The Board, management, and employees shall arrange for disclosure of PTT's information, both financial and non-financial, to be carried out adequately, credibly, and timely so that shareholders and all stakeholders may receive such information in a fair and equitable manner. Corporate Communication and Investor Relations shall be responsible for providing information to investors and the public.
9. PTT's shareholders shall receive equitable treatment and have equal rights to access PTT information and appropriate communication channels with PTT. The Board, management, and employees shall also advocate shareholders' engagement with PTT.
10. The Board shall ensure an appropriate system for the selection and appointment of all key management positions under a fair and transparent nomination process.





11. The Board shall establish an efficient Anti-Fraud and Corruption principle to ensure that the management recognizes and takes Anti-Fraud and Corruption actions, as well as conforming to such measures.

PTT has published the latest version of “Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook” on its intranet and website in both Thai and English so that PTT employees, Thai and foreign investors, interested parties and stakeholders could apply this for their benefits or reference.

## Policy and Guidelines for the Board

PTT’s Board of Directors comprises of experts who considered beneficial to the company. They shall be dedicated their time to their duties and endeavor to perform them well. The Board is appointed by shareholders to oversee the company’s operations. The Board, in turn, appoints a management team responsible for business operations, the specific committees to oversee the delegated specific matters, and the company’s auditor, and shall assign the Company Secretary to manage meetings and comply with laws and regulations. The policy and guidelines for the Board are as follows:

### 1. Composition, Qualifications and Appointment of the Board

The Board of Directors, led by the Chairman of the Board, must have leadership and be able to continuously control the management to ensure the effectiveness and efficiency of operations, achievement of the company's targets by creating and increasing investment value for shareholders, the government, the public, and other stakeholders.

### 2. Independence of the Board

The Board shall consider, express opinions on, and vote for activities under their authority. If a decision is made under pressure from work, family, or any conflict of interest, it may be made in bias to benefit the directors, their families, or self-interest. Therefore, the independence of the Board must be emphasized in order to protect the shareholders and the company's interest. Any directors who is not wholly independent shall not make decisions.

### 3. Role, Responsibilities, and Authority of the Board

The Board shall act professionally on behalf of shareholders with high responsibility and accountability to steer the company in the right direction, make decisions on important matters with care and loyalty and protect the benefits of all stakeholders as well as company. Therefore, the board must perform its duties independently from the management. Responsibilities of the Board also include, but are not limited to, overseeing the management's operations and results, managing risks and determining remuneration.

### 4. Role and Responsibilities of the Chairman

- The Chairman is independent of the management and has not been involved in routine management with clear segregation of roles between the Chairman and the management.
- The Chairman shall regulate the Board to ensure highly efficient operations. Also, the Chairman shall support and provide assistance to the management's operations under the authority delegated by the Board for achieving the company's objectives and targets.
- The Chairman shall encourage directors to perform their duties within the scope of duties and authority towards shareholders and stakeholders while adhering to PTT's Corporate Governance, Ethical Standards, and Code of Business Ethics. The Chairman shall also advocate directors' efforts for promoting a corporate culture of ethics, and good corporate governance.

- The Chairman shall determine together with the President & CEO, regarding the Board's meeting agenda.
- The Chairman shall serve as an efficient chairman of the Board's meetings and the shareholders' meetings.
- The Chairman shall allocate sufficient time for the management to propose information and for directors to express their opinions on significant matters prudently. The Chairman shall also promote constructive relations among directors as well as the relations between the Board and the management.

### 5. Establishment of Specific Committees

To ensure a thorough and efficient examination of the key operation, the Board has established the following 5 specific committees, namely Audit Committee, Nominating Committee, Remuneration Committee, Corporate Governance and Sustainability Committee, and Enterprise Risk Management Committee.

### 6. Board Meetings and Receiving of Relevant Documents and Information

Every board member should regularly attend board meetings. Office of President is responsible for preparing documents, arranging the venue and coordinating the meeting. Each director shall be informed in advance of the date and agenda of each meeting and receive supporting information.

### 7. Company Secretary

The Board appoints a Company Secretary, responsible for arranging board meetings and shareholders' meetings to ensure that they are transparently organized in compliance with applicable laws and regulations.

### 8. Assessment of the Board Performance

The Board shall assess its performance annually to be used as a framework for evaluating the Board's performance, and considering, reviewing, and analyzing its performance for further improvement.

### 9. Remuneration of Directors and the President & CEO

The Board and the President & CEO shall not remunerate themselves due to a conflict of interest. The directors' remuneration must be allocated by the Remuneration Committee and proposed to shareholders for approval based on their performance. (Details on remuneration for directors and management are reported under Section 2:

“7.4.2 Management’s Remuneration Policy” and “8.1.2 (2) Remuneration of Directors”).

### 10. Succession Plan

The Board must ensure that PTT has an appropriate nomination process for key management positions at all levels. The President & CEO will be selected through a nomination process that will consider both internal and external candidates, which follows the Standard Qualifications of Directors and State Enterprise Officer Act. To be prepared for succession planning, especially executive positions, PTT has defined a policy and guideline to lay down a succession plan for personnel when the time comes for assuming higher positions that become vacant, namely: the President & CEO, Senior Executive Vice President or equivalent, Executive Vice President or equivalent, and Vice President or equivalent.

### 11. Directors’ Development

PTT desires that the directors shall develop their knowledge, competencies, and skills in terms of business operation, good corporate governance, and other curriculum that are beneficial to their roles. With these development, PTT shall support and encourage their training with the Thai Institute of Directors Association (IOD) and other institutions which contain applicable courses throughout the year. PTT, furthermore, supports and organizes in-house briefings by inviting experts and consultants to present helpful data for advancing business and directors’ performance. For new directors, PTT arranges an orientation program and provides each with a Director’s Handbook, documents, useful information, lecturing on introduction regarding PTT’s business and site visits as well as policies and practices of Good Corporate Governance. These preparations will be provided within three months of their appointment.

### 12. The Criteria for Serving in Various Positions of PTT Group’s Executives

Principles for holding a position of director, advisor, qualified person, or any position in a company, agency, or other juristic persons of PTT Group’s executives are detailed in line with the policies and guidelines of PTT’s Board of Directors, which are in PTT’s Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook, in Thai and English, on PTT Intranet and PTT Website.

## Governance of Subsidiaries and Associated Companies

### Governance Mechanisms

PTT defined a governance policy for PTT Group by preparing the “PTT Group Way of Conduct”, which compiles work procedures in various aspects of PTT Group and affiliates for conformity and unity as a governance tool. All are required to practice and drive towards the same standard across PTT Group through PTT’s representatives assigned as directors, management, and officers. This way, directs PTT Group to have unity in action, synergy, enhanced capability and strength in international competition for PTT Group based on a transparent and sustainable way.

**Five governance principles** according to PTT Group Way of Conduct are as follows:

- 1. Definition of Key Strategic Positions for PTT’s executives and employees**, based on the joint agreement of PTT Group or other business terms.
- 2. Rules and Regulations**, including directives that form part of the governance designed to drive linkages between PTT Group’s policy governance and its successful implementation. Such rules, regulations, policies, and directives are to be put into practice and driven towards a uniform standard throughout the PTT’s subsidiaries and PTT Group by PTT’s representatives assigned to serve in these companies as directors, top executives, management, and officers.

- 3. Reporting Line and Performance Management:** PTT Group must report implementation updates under assorted policies to PTT management and/or the Board.
- 4. Multi-level Governance:** This is to proceed through PTT Group Way of Conduct from PTT direct to subsidiaries. PTT authorizes this governance through its executives serving as the top executives there. To this end, such companies must develop their group governance to convey PTT Group Way of Conduct concept to its affiliates so that a single standard may govern the entire PTT Group.
- 5. Management Committees** such as the PTT Group Management Committee (PTTGMC) and other policy committees play a key role in driving the efficiency of PTT Group governance since they represent a forum for consultation and joint formulation of business directions. By imposing a regular performance reporting under PTT Group Way of Conduct by PTT Group to PTTGMC for tracking business efficiency and effectiveness. PTT also defines the key roles and duties under PTT Group Way of Conduct as follows:

**Policies** are pushed to achieve concrete compliance in line with PTT's operations by dividing into 2 following groups:

- 1. Strategic Alignment** Important policies for PTT Group companies are applied in the same direction, covering accounting, tax and finance, plan and investment, Governance, Risk Management, and Internal Control and Compliance (GRC). This is to ensure that PTT Group companies have precise, transparent, and auditable operations and disclosure, with appropriate and accurate good corporate governance standards, risk management, internal control, and compliance throughout PTT Group.
- 2. Performance Excellence** for enhancing competitiveness and leading PTT Group to achieve business objectives with sustainability. The implementation may vary by risks and business context of each company. PTT supervises,

monitors, and reports the performance of PTT Group companies throughout the Group annually. PTT Group Management Committee (PTTGMC) and Minor PTT Group Management Committee (Minor PTTGMC) are responsible for pushing, driving, and promoting, while good corporate governance, policy owner, and subsidiary management functions jointly supervise and monitor the performance to achieve and align with the goals.

## Policy on Serving as Directors in Other Companies of Directors and Management

In 2023, PTT had 38 affiliated companies, six of which are SET-listed flagships. PTT, therefore, adopted the PTT Group management structure for synergy and alignment of policies. To achieve these, the Board of Directors appointed management team members as directors in these companies to supervise policies and business management which aligned with PTT's policies for the benefit and value added of all stakeholders. The objectives of such appointments are:

- 1) To ensure that the management of affiliated companies aligns with the policies of PTT Group and monitor its overall business performance in order to accord with PTT's policy and institute comparable standards.
- 2) To establish synergy for the business of PTT Group and add value to all related parties, including Thailand.
- 3) To apply specific expertise in support of business, such as financial expertise can improve accounting and financial processes so that the company can grow robustly. This includes assistance to companies outside PTT Group. The resulting application of the knowledge and expertise gained from serving in such leading companies will enhance the benefit to PTT and foster cordial relations as well as creating business partner.
- 4) These objectives are part and parcel of the responsibility of the directors and management of PTT.

PTT ensures its consideration of executives or outsiders from the Ministry of Finance's Director's Pool for appointment within PTT Group regarded as a state enterprise is based on the Act on Standard Qualifications of State Enterprise Directors and Employees. Chosen directors from the pool must make up no less than one-third of the other directors of a given state enterprise. As of December 31, 2023, PTT had 20 members who belonged to the Director's Pool. It also ensures that PTT executives and such outsiders who serve as directors of PTT affiliates, serve on no more than 3 PTT affiliates or other state enterprise affiliates. This is designed to lower risks of conflicts of interest and ensure conformance to applicable laws, as well as to the Cabinet resolution of January 24, 2011, on fraud preventive measures at state enterprises, entitled "The appointment of senior government officials or persons as directors on multiple state enterprises", as proposed by the National Anti-Corruption Commission (NACC).

In addition, the Board defined guidelines and criteria for serving in various positions of PTT Group's executives. since 2015, the Board decided to adopt them as part of the CG Handbook.

## Policy and Guidelines Related to Shareholders and Stakeholders

### 1) Shareholders' Rights

As the owners, shareholders are entitled to determine PTT's business direction or decide on matters of significant impact. Shareholders' meetings, therefore, serve as their key forums for the expression of views, questioning, and voting apart from the election of directors to supervise PTT's operations on their behalf. Shareholders are entitled to attend shareholders' meetings, take adequate deliberation time, and acknowledge meeting minutes.

#### Schedule of Shareholders' Meeting

PTT schedules an Annual General Meeting (AGM) within 4 months of the annual closing date of its accounting books. For urgent matters that affect or involve shareholders' interests or conditions, regulations, or laws that require shareholders' approval, it can call an Extraordinary General Meeting of Shareholders (EGM).

In 2023, the AGM was scheduled on April 12, 2023, in an e-Meeting only. PTT chose the electronic meeting control system of PTT Digital Solution Co., Ltd., a service provider assessed for compliance with the meeting control system by the Electronic Transactions Development Agency (ETDA) and meeting the standards of the Decree on Electronic Meetings B.E. 2563 (2020) and the Announcement of the Ministry of Digital Economy and Society on Security Standards of Electronic Meeting, and other related laws and regulations. PTT arranged for the recording of the 2023 Annual General Meeting of Shareholders in video format for dissemination to attendees for later viewing via PTT Website. PTT complied with the guidelines of the AGM Checklist prepared by the Thai Investors Association (TIA), Thai Listed Companies Association (TLCA), and the Securities and Exchange Commission (SEC). In 2023, PTT received a full score of 100 points for the 11<sup>th</sup> consecutive year, and no Extraordinary General Meeting of Shareholders (EGM) was called.

#### Advance Meeting Notice

For the 2023 AGM, the Board meeting No. 2/2566 (2023) on February 16, 2023, resolved to call a meeting via electronic meeting (e-Meeting) on April 12, 2023. Its decision, meeting date, and meeting agenda were disclosed in detail ahead of time by announcing on SET's website to notify shareholders before sending meeting notices. PTT assigned Thailand Securities Depository Co., Ltd. (TSD), its securities register, to mail the notices along with agenda details and accompanying documents, supplementary and supporting information for decision-making, opinions of the Board, complete minutes of the last meeting, 56-1 One Report, meeting documents, and proxy forms with complete instruction for shareholders, more than 14 days before the meeting date. The meeting notices were sent on March 21, 2023. The invitation was also announced through Thai and English newspapers, for 3 consecutive days (April 5 - 7, 2023, which was 3 days before the meeting), to allow shareholders enough time to prepare themselves for the meeting.



The AGM meeting notice and supporting documents were made available on PTT Website 28 days before the meeting date (starting on March 15, 2023).

## Proceeding of the Shareholders' Meeting

Before the beginning of the meeting, PTT presented a video introducing how to participate in the meeting through electronic media as well as instructions on how to vote through the e-Voting system and the inquiry process. At the start of the meeting, the Chairman of the meeting introduced directors, management, external auditor, and legal advisors who served as neutral parties and witnesses. The Chairman then elaborated on the voting and ballot counting for individual agenda items under PTT's Articles of Association as well as voting procedures for each item. Once the information had been provided on each item, the Chairman gave a chance for all attendees to comment, recommend and ask questions, allowing adequate time for debate. Inquiries can be made via electronic media through 2 channels: channel 1 via text message and channel 2 via video and audio or video conference. The Chairman and the management answered all questions clearly and precisely, treating all questions with due respect. For the election of directors, individual votes were required.

The Chairman ensured that the meeting proceeded by the order of the agenda and did not add any items without notifying shareholders in advance. If the meeting decide to change the order of the agenda, it will need, under PTT's Articles of Association, at least two-thirds of the votes of the shareholders in attendance. Alternatively, the shareholders with at least one-third of all subscribed shares may ask the meeting to consider other matters that are not mentioned in the meeting notice. At the 2023 AGM, the order of the agenda was not changed, and there was no request to consider any other matter.

At every meeting, the minutes must be completely and accurately recorded with the tally on each applicable agenda item. As a rule, a shareholders' meeting lasts 3 - 4 hours. The 2023 AGM started at 1:30 p.m. Registration was open at least 7 days in advance, i.e., from March 29, 2023, until the meeting was completed, and shareholders were allowed to enter the meeting room at least 1 hour before the meeting time. When the meeting started a total of 22,671,052,957 shares, or 79.3721% of the

total shares were attended by shareholders, exceeding one-third of all PTT's subscribed shares of 28,562,996,250. Below is a description of meeting attendants and those responsible for issue clarification:

- All 14 PTT directors attended the meeting (M.L. Chayotid Kridakon, an independent director, resigned on March 22, 2023., representing 100% of the Board attending the meeting). The Chairman presided over the meeting with all specific committee chairmen, the President & CEO, Chief Operating Officer, Upstream Petroleum and Gas Business Group, Chief Operating Officer, Downstream Petroleum Business Group, Chief New Business and Infrastructure Officer and Chief Financial Officer, provided supporting information on stage and through electronic channel. The Senior Executive Vice Presidents and Executive Vice Presidents attended at the front rows to provide information for relevant questions. Independent directors served as proxies for minor shareholders.
- Auditors from EY Office Limited are Mr. Kittiphun Kiatsomphob, Miss Waraporn Prapasirikul, and Miss Kessirin Pinpuvadol.
- Legal advisors from TTT & PARTNERS COMPANY LIMITED (witnesses in charge of the examination of voting and election disputes throughout the meeting): Mrs. Veeranuch Thammavaranucupt and Mr. Sappawit Jansuparerg.

## Shareholder Count (as the AGM adjourned at 4:05 p.m.)

A total of 2,069 shareholders; 205 in person and 1,864 proxies attended the AGM, representing a total of 22,675,852,447 shares or 79.3889% of the total subscribed shares.

## Practical Guidelines for Reporting Conflicts of Interest

As specified in PTT CG Handbook, all directors, management, and employees must prepare reports on conflicts of interest annually and in case of changes. At a meeting, those with vested interests or conflicts of interest with PTT must inform the meeting to excuse themselves and abstain from voting on such matters.

At each shareholders' meeting, any director with vested interests or involvement in any agenda item must inform the meeting to excuse themselves and abstain from voting on each applicable agenda item.

## Disclosure of Shareholders' Meeting Results

For the 2023 AGM, PTT submitted a summary of AGM resolutions to SET and SEC on the next business morning (April 17, 2023). PTT also submitted the minutes of the AGM (by separating each agenda, demonstrating the number of directors in both attendance and absence, questions raised by shareholders, and answers from directors, together with the tallies of each agenda item) to SET and SEC within 14 days of the meeting. Furthermore PTT had to publish minutes of the AGM through PTT Website.

## 2) Equitable Treatment of Shareholders

PTT treats all shareholders fairly despite their different shareholding proportions, corresponding voting power. Shareholders' fundamental rights are conserved regardless of their gender, age, race, nationality, religion, belief, social status, physical impairment, or political inclination. Information on the shareholders' meeting was announced ahead of the meeting in Thai and English. Directors with vested interests in any agenda item must excuse themselves from the meeting on that item. All shareholders have equal rights to take part in PTT's activities.

## Proposing Additional Meeting Agenda Items and Nominating Directors

To enable minor shareholders taking part in business oversight, for the 2023 AGM, PTT defined the criteria and consideration process for entitling them to propose meeting agenda items and/or nominate directors in advance, so that the Board will deliberate agenda items that could prove useful to PTT, including the selection of qualified directors to perform their duties efficiently for PTT, shareholders, and stakeholders. In practice, shareholders with a single shareholder or multiple shareholder of at least 5% of the total eligible votes or at least 1 million shares

held uninterrupted for at least one year could propose agenda items or nominate directors before the AGM from September to November 2022, in case the nomination of directors needed the approval of the State Enterprise Policy Committee (SEPC), under the guidelines for the appointment of state enterprise directors and the cabinet resolution on August 6, 2019.

PTT posted such criteria on its website and an announcement on SET's website from September 1 to November 30, 2022. However, this attracted no recommendation of such agenda items or nomination of directors, and the Company Secretary duly informed the Board meeting on the matter. In addition, PTT informed shareholders to submit questions in advance for the 2023 AGM via 3 channels, namely acknowledgment mail sent together with the invitation letter, electronic mail at corporatesecretary@pttplc.com, and facsimile number 0-2537-3887. In the 2023 AGM, some shareholders sent questions in advance through the aforementioned channels and PTT clarified the details to them and disclosed them in the minutes of the meeting.

## Facilitating Shareholders at the Meeting

In organizing the 2023 AGM via e-Meeting, PTT facilitated all shareholders by submitting documents showing the registration procedures for e-Meeting and proxy along with the meeting notice. PTT also provided a call center to respond to problems using the system since March 29, 2023, the opening date for pre-registration, until the 2023 AGM, was fully completed on April 12, 2023. On the meeting date, e-Voting and inquiry processes via e-Meeting were available for logging in from 11:30 a.m. Video instruction regarding voting through e-Voting and inquiry procedures was shown for shareholders' acknowledgment.

Since most shareholders at the AGM were Thais, it was conducted in Thai. However, for the benefit of foreign shareholders, PTT commissioned the translation of meeting's handouts, supplementary documents, and relevant documents into English. Its website is also bilingual. During the meeting, PTT provided officers with a good command of English to facilitate foreign shareholders.

## Appointing Proxies

To maintain the rights of those who could not attend the 2023 AGM in person, they could appoint proxies or delegate their votes to any independent director in attendance. To this end, PTT specified these independent directors' names on proxy forms defined by the Ministry of Commerce for voting on behalf of shareholders without conditions. PTT treated proxies as if they were shareholders. As a rule, 28 days before each meeting, PTT discloses the proxy form, attached with details and procedures on its website. Shareholders may make further inquiries about this by phone or through other channels such as PTT Website and e-mail.

## Customers

Ensuring customer satisfaction and loyalty by delivering world-class quality products and services at fair prices.

## Suppliers and Partners

Conducting fair business practices with all partners while promoting trust, good relationship, and cooperation to expand business capability and increase efficiency in long-term business partnerships.

## Directors and Employees

Continuously promoting professional capability building and ensuring employees' well-being on par with other leading companies to strengthen employee engagement.

## Treatment of Six Main Stakeholder Groups

### 1. Public Sector

#### 1) Building energy security: PTT and its wholly owned PTT had a 5-year investment plan (2023 - 2027) (worth

THB 100,227 million on core businesses as follows: (1) 36% in Gas Business Unit, i.e. Gas Separation Plant (GSP) Unit 7 to replace GSP Unit 1 and GSP Unit 8 to convert liquefied natural gas (LNG) into ethane and LPG, including ethane product storage tanks and receiving terminal to increase ethane import capacity, (2) 19% in Natural Gas Transmission Pipeline Business Unit, including Bang Pakong - South Bangkok Power Plant and the 5<sup>th</sup> onshore natural gas pipeline projects, (3) 3% in International Trading Business Unit and Downstream Petroleum Business Group, (4) 9% in New Business and Infrastructure, and Head Office, and (5) 33% in PTT's wholly owned companies, namely EV ecosystem, Map Ta Phut Industrial Port Development Project Phase 3, Laem Chabang Port Development Project Phase 3.

PTT's Board of Directors Meeting No. 6/2023 on June 21, 2023 reviewed and approved the adjustment of the investment plan of PTT and its wholly owned companies for 2023 from THB 33,344 million to

## 3) Roles towards Stakeholders

As the national energy company, PTT prioritizes for all stakeholders' rights and interests by establishing guidelines for addressing the needs of each group in and outside the corporation, as well as its own responsibility for society and the environment. Stakeholders are classified into six groups with a different mission targeted for each group in response to their different needs:

### Public Sector

Ensuring long-term energy security by providing sufficient high-quality energy supply at fair prices to support economic growth.

### Society and Communities

Maintaining an excellent corporate standing in Thai society by exercising environmental stewardship of internationally accepted standards and improving the quality of life for communities and the wider societies.

### Investors

Operating profitable businesses that lead to sustainable growth while generating optimum returns.

THB 93,598 million. Most of them are changes in investment in its wholly owned companies, such as joint investment of PTT LNG Co., Ltd. in the 2<sup>nd</sup> LNG Receiving Terminal and the EV ecosystem business i.e. EV manufacturing plant of Horizon Plus Co., Ltd., battery production factory in Thailand of Arun Plus Co., Ltd. while the investment in core businesses remained in line with the original investment plan.

**2) Focus on new business in line with future world trends both in energy and other areas, with provisional capital expenditure**

over the next 5 years in the amount of THB 302,168 million according to the vision framework of “Powering Life with Future Energy and Beyond”, PTT focuses on the clean energy business towards low-carbon society. The goal is to produce electricity from renewable energy to 15,000 megawatts within 2030 and invest in the integrated EV ecosystem business, as well as expanding investment in the natural gas business which is a transition fuel with a focus on expanding the natural gas pipeline network and expanding investment in the LNG value chain both domestically and internationally. In addition to investing in existing businesses to maintain energy security, PTT also expands investments in other businesses to cope with technology disruption and support modern behaviors or lifestyles such as Driving life science business in Thailand and the ASEAN, including logistics and infrastructure business, focusing on connecting the entire transportation network of the country.

**3) Being a “low-carbon and sustainable organization” ready to drive Thailand towards Net Zero:**

PTT Group has announced the following short-term and long-term goals: (1) aiming to reduce greenhouse gas emissions by 15% within 2030, (2) achieving Carbon Neutrality by 2040 and Net Zero Emissions by 2050 (sooner than the 2065 country's target.) PTT Group has set up the PTT Group Net Zero Task Force (G-NET) to mutually drive 3P Decarbonization Pathway (Pursuit of Lower Emissions, Portfolio Transformation, and Partnership with Nature and Society), to achieve greenhouse gas emission reduction goals that are consistent with the context of business operations.

- (1) “Pursuit of Lower Emissions”: To maximize the reduction of greenhouse gas emissions in the process e.g. adjust the production process in the gas separation plant, making the zero-carbon dioxide power by generating process of reusing or capturing it instead; additional investment in refineries to install a carbon dioxide detector; replace long-used equipment, switch to a new refinery to minimize energy consumption.
- (2) “Portfolio Transformation”: To increase the proportion of investment by focusing on clean energy business and growth in new businesses beyond energy. PTT has set up new businesses that are environmentally friendly and reduce greenhouse gas emissions, such as those related to EVs, pharmaceuticals, and health.
- (3) “Partnership with Nature and Society”: To increase green space for carbon absorption by 2030, PTT and PTT Group aim to increase the planting of terrestrial and mangrove forests to 2 million rai, as well as taking care of over 1 million rai of existing green areas. PTT has planted since 1994, which helps absorb more than 2 million tons of carbon dioxide per year.

In addition, PTT has been given a mission to chair the Thailand Carbon Neutral Network (TCNN), with a network of more than 500 leading organizations from the public and private sectors, including small, medium and large ones, SMEs, leading universities and local communities to form “Thailand’s Leading Network towards Carbon Neutrality and Net Zero Goals”. This is for driving the participation of various sectors in reducing greenhouse gas emissions, as well as speeding up the preparation of policy proposals for submission to the public sector, aiming to elevate the country's greenhouse gas reduction standards to be equivalent to international standards. In 2023, PTT is one of the five organizations that developed innovations in greenhouse gas management of the TCNN network and among the 16 leading organizations in greenhouse gas management that have received the assessment and certification rating from the Thailand Greenhouse Gas Management Organization (TGO).



#### 4) Public policy support for economic growth and the grassroots economy closely with the public sector.

The key projects are as follows:

- **State welfare card - LPG for low-income earners:** Support of partial LPG subsidy, a project under the Ministry of Energy and the Ministry of Finance, was extended to low-income earners, hawkers, and food stalls with state welfare cards by reducing the cooking gas (LPG) price in the amount of THB 100 per person per month from October 2019 to March 31, 2023, for reducing their cost of living and promoting low-income earner business. The assistance amounted to more than THB 22 million.
- **NGV Price Discount:** Support the government policy as follows: (1) Maintain the NGV retail price for general vehicles below the price structure set by the government from November 16, 2021 to December 15, 2023, (2) Establish the NGV for the Giving Breath Project by providing NGV price assistance for taxi drivers in Bangkok and its vicinity with a limit of THB 10,000 per month per vehicle to purchase NGV from November 1, 2021 to August 15, 2023, (3) Extend assistance measures to public bus fleets nationwide through the Benefit Card Scheme by providing NGV discounts on light vehicles (taxi, pick-up truck taxi and van) and large vehicles (minibus and bus) with the NGV purchase limit of THB 10,000 per month per vehicle and THB 40,000 per month per vehicle, respectively, from July 5, 2023 to December 31, 2023. The total aid value was THB 16,533 million.

## 2. Society and Communities

- **Innovation for Community Project:** Continuously operating from 2021 to the present, in 2023, PTT Group focused on bringing its knowledge, technology, innovation, and experience to support the grassroots economy in 45 areas in 29 provinces. This sets a significant outcome for the community to increase net income by more than or equal to 10% and more than THB 5,000 per household per month through (1) Smart Farming such as greenhouses and plastic covers, IoT systems to control cultivation factors by using drones for agriculture, solar cells and LED for planting, Nano ZnO for soil improvement, (2) Smart Marketing such as developing and upgrading more than 45 community

products to promote distribution channels through the Smile Community Platform with over 1,400 products from 450 communities, as well as helping to develop Community Based Tourism (CBT) in 6 areas:

- Mae Tha Subdistrict, Mae On District, Chiang Mai Province
- Ban Luang Subdistrict, Chom Thong District, Chiang Mai Province
- Piman Subdistrict, Na Kae District, Nakhon Phanom Province
- Saeng Pha Subdistrict, Na Haeo District, Loei Province
- Lamsin Subdistrict, Srinagarindra District, Phatthalung Province
- Koh Mak Subdistrict, Pak Phayun District, Phatthalung Province.

In addition, 12 Smiling Innovation Learning Points were completed, 8 prototype areas, and 4 sufficiency innovation learning centers to be a source of learning and study sample areas for communities to further their careers by collecting knowledge from PTT's collaboration with communities over the past 3 years as a set of knowledge of each community and collecting important information for research and information that is useful to the community.

- **PTT Art Contest:** PTT, in collaboration with Silpakorn University, organized the 38<sup>th</sup> PTT Art Contest 2023 under the theme "Inspire Hope, Ignite Life Potential" with 2 levels of contestants: general public and youth with this contest, there are 831 pieces of artwork submitted: 696 of youths and 135 of the general public. In addition, 4 regional art contests were held with over 4,200 participants as follows:
  - Northeastern Contest in collaboration with Khon Kaen University
  - Southern Contest in collaboration with Thaksin University
  - Eastern Contest in collaboration with Burapha University
  - Northern Contest with Chiang Mai University.
- **PTT Group Model School:** Mobilizing PTT Group's strengths and knowledge to develop education under the concept of "STEEM 4E" by collaborating with Kamnoetvidya Science Academy and Vidyasirimedhi Institute of Science and Technology to develop academic skills (science, technology, engineering, mathematics (STEM) and English (E) = STEEM) and encourage schools to apply them in teaching and

learning or 4E, namely Ethics and Growth Mindset, Entrepreneurship, Energy Literacy, and Environment Awareness through the STEEM+4E program in 109 schools, 24 model teachers were developed, including 10 STEM model teachers and 14 English teachers, also 11 4E model schools through the implementation of sub-projects such as PTT Group's School English Teacher Development Project, STEEM 4E training course, playing as a teacher to learn to connect with the real world, including the development of learning points, promoting active learning by integrated with lesson plans.

- **Green Globe Institute:** Raise awareness about environmental conservation through judging entries and awarding to communities and individuals who conserve soil, water, and forest resources. It encompasses the dimensions of coexistence with nature and sustainable ecosystem persistence, uses local knowledge appropriately, emphasizes the participation of people in the community in line with the self-sufficiency lifestyle, and extracts the knowledge of the award works to prepare for further utilization. The 21<sup>st</sup> Green Globe Award Ceremony was held on July 20, 2023.
- **Vetiver Development and Campaign Project based on the royal initiative:** PTT, in collaboration with the Chaipattana Foundation, the Office of the Royal Development Projects Board (ORDPB), and the Department of Land Development, implemented a project to expand the use of vetiver for soil and water conservation. In 2023, Thailand hosted the 7<sup>th</sup> International Conference on Vetiver "Vetiver for Soil and Water Conservation: In Commemoration of King Bhumibol Adulyadej The Great" Shangri-La Hotel Chiang Mai Province in hybrid meeting attended by 1,098 delegates from 19 countries around the world.

### 3. Investors

PTT remains committed to being an organization that contributes to economic growth, enhances national competitiveness, develops society and improves the quality of life while creating innovation and implementing technology in all sectors as well as being a driving force in people's way of life, society, communities, environment to move through change under the new vision through the implementation of 4R strategies (Resilience, Reenergize, Reimagination, and Reform). This would ensure investors of PTT's optimum returns and sustainable growth.

#### Investors' Activities (Common Shareholders)

Since 2006, PTT has arranged ongoing trips for minor investors to visit its operations, update information, and meet the management as well as participating in PTT's CSR activities in Rayong Province.

In 2020 - 2022, due to the continuous outbreak of the COVID-19 pandemic in Thailand, PTT decided to halt the company site visit to prevent the spread of COVID-19 for the safety of participants.

In 2023, PTT scheduled the event on November 21 - 23, 2023 by sending invitation letters and acceptance documents to shareholders listed as of the Record Date to determine their right to attend the 2023 AGM (March 3, 2023) for shareholders to submit their intention to visit PTT's business. In addition, since there were 6,209 people interested in visiting PTT's business via postcard and QR code, PTT required a lucky draw to select eligible visitors, which was witnessed by executives and working groups. The lucky draw was scheduled on October 9, 2023 and the list of eligible visitors to PTT's business was announced on PTT Website. PTT officials notified those who had the right to visit PTT's business by telephone to confirm their acceptances. The visit included the Flora Exhibition Hall of PTT LNG Co., Ltd. (PTTLNG), Princess Maha Chakri Sirindhorn Herb Garden, and Harumiki Farm & Café, Rayong. 300 eligible visitors were divided into 3 groups of 100 people each. After the activities, PTT provided satisfaction survey to attendants and utilized the feedback from shareholders to improve its work in the following year.

Shareholders who are interested in participating in the next business visit (2024) can follow the progress and details of the project on PTT Website. PTT reserves the right for shareholders who have not participated in this activity only, if it is the same visit site.

#### Activities for Institutional Investors and General Investors

In 2023, as the situation in the country returned to normal after the COVID-19 pandemic, PTT began to organize activities to meet institutional investors and general investors in the physical form along with communication through various online networks using modern technology systems to organize the event. Diversified communication channels are considered another form of investor relations management, which can increase investors' satisfaction and engagement with PTT.

### Investors' Activities (Debenture/ Bondholders)

PTT has issued and offered debentures to shareholders since 2003. In 2023, PTT's Baht-denominated debenture holders numbered 21,929. Since 2010, PTT has staged ongoing debenture holders' activities to serve as a channel for maintaining cordial relations with them and repay them for their confidence in PTT bonds over the long term. Activities for debenture holders in 2023 were a mix of activities to reach debenture holders of all age groups. Advanced technology was used to organize various seminars through online channels by live streaming. Happiness Activity was created in the form of a brochure to reduce the use of paper and support the country's direction towards a low-carbon society. Debenture holders can also access all event details via online channels.

PTT continues to strive to increase efficiency and enhance the debenture holders' satisfaction along with promoting the learning to use technology by developing the service through the PTT Debenture Line official account and mobile application. At year-end, over 12,470 bondholders joined the membership of various systems.

## 4. Customers

PTT divides its market into domestic and overseas with two major groups of customers: Business to Business (B2B), which consists of customers in gas, international trading, and infrastructure businesses, and Business to Customer (B2C), with NGV customers, where the core products are natural gas, crude oil, petroleum products, petrochemicals, and chemicals.

PTT listens to customer needs and expectations to analyze them through diversified channels, including customer visits, both onsite and online seminars, opinion surveys, and customer information via online channels, for instance, the official website of the International Trading Business Unit which connects 5 PTT affiliates and representative offices globally; power plants and wholesale's Customer Service Center (CSC) website and industry's PTT NGR website provide information necessary for business operations such as economic situation and trends, energy, government policies, regulation, technology innovation, natural gas properties and consumption, financial and economic data for designing products and services that meet the current and future needs and expectations.

PTT has continuously developed products and services as well as supporting systems to increase speed, accuracy, and correctness for customers' transactions with PTT such as the application of Robotic Process Automation (RPA) in the billing process, the development of One Platform system to be data sharing tools with flagship companies, for using in product import and export planning to create additional trade value from logistics optimization such as Co-load and Co-purchase and the development of Intelligence Trading Signal (ITS) to detect the best time to buy and sell derivatives contracts for an effective price risk management model that responds more to customers' risk management needs in conditions of high product price fluctuations. PTT has developed more contact channels via LINE official to facilitate customers in contacting and awaring of the energy price situation, news and information, useful knowledge, and a link to the CSC website and Application Voice. Comprehensive consulting services for liquefied natural gas and liquefied natural gas distribution systems are provided to increase the channel of use of liquefied natural gas fuel for industrial customers outside the pipeline. In addition, PTT has introduced IoT technology to help with energy management and increase efficiency in product delivery and energy consumption management to customers. As mentioned above, PTT's implementations have created good relationships with customers, fostering confidence in being long-time business customers and resulting in engagement with PTT.

PTT also developed a service standard manual and procedure manual that are comprehensive, including manuals on service station standards, gas customers, pipeline emergency response plans, gas pipelines for industrial plants, and procedures for gas metering. PTT provided its services in compliance with the standard controlled by the Energy Regulatory Commission (ERC) and regularly reported its operations to the commission as required or, in the case of violation of the standard, within the specified period.

PTT has satisfaction, dissatisfaction, and customer engagement assessment versus competitors through the research of the annual satisfaction survey. Customers' satisfaction and dissatisfaction have been regularly collected and analyzed for proposing and improving products and services or problem-solving in a timely manner.

PTT has maintained a high level of customer satisfaction despite the impact of the volatile and competitive gas market by planning for customers after-sales service activities such as seminars to meet with customers and clarify the gas situation, providing technical services, listening to problems and complaints for developing plans, and regularly sending information to customers. PTT also initiates the online classroom platform (GASTALKTH.COM) which collects news about various types of fuels, maintenance techniques for gas pipeline systems and other industrial equipment, energy efficiency laws and techniques for industrial plants transferred by PTT experts. Those interested can enroll in an unlimited number of classes. PTT also creates social activities for the customers such as organizing a Virtual 30-Day Challenge exercise and accumulating calories to convert into the number

of trees, for PTT to plant as well as inviting customers to join tree planting activities in national parks for creating green areas and helping absorb carbon dioxide for the country.

PTT classifies complaints by the impact of severity and by defining Service Level Agreements for each type of complaints. Related units must resolve problems within a given period. All complaints must be initially addressed within 24 hours, and after problem resolution, an inquiry into customer satisfaction with PTT's problem-solving will be made. At the same time, customers will learn of PTT's long-term problem-solving plans for their confidence and satisfaction to ensure customers' continued buying of PTT's products and services.

### Customer Satisfaction Survey (%)

	Natural Gas					International Trading
	Natural Gas	Power Plants and Wholesale	Industry	Petroleum and Petrochemical Products	NGV	
2023	93.2	90.1	94.0	92.9	87.0	94.0
2022	92.2	90.0	92.9	89.9	90.6	90.8
2021	92.2	90.8	92.6	91.3	90.2	99.3

## 5. Suppliers and Partners

Since suppliers and partners are keys to business success through mutual support, PTT values and treats them with equality through fair competition, mutual respect, and good relationship and cooperation. PTT strictly complies with contracts and procurement procedures since they are vital to the determination of expenses and the quality of PTT products and services. A clear procurement procedure is in place to ensure transparency, auditability, and maximum benefit.

To achieve its resolution, PTT is committed to doing business for sustainable growth in parallel with good governance for communities, society, and the environment. It, therefore, values supply chain management such that it is clearly in place by developing risk management processes and mitigation of impacts arising from business partners' conduct to support the success of supply chain management in sustainable way. The 3 key factors for the drive are as follows:

### 1. Clear Business policy and directions

PTT's policies and strategies are key factors for forging awareness among employees and society of PTT's commitment and business direction. PTT thus issued **PTT Group policy on sustainable procurement and supplier management**.



To provide PTT's business partners with guidelines for conducting business in line with the corporate sustainable management concept, PTT issued the PTT Supplier Sustainable Code of Conduct (SSCoC) on April 1, 2012, with the latest revision on November 1, 2022, by setting the content and scope to be under the requirements, regulations and relevant laws. This helps to drive PTT's suppliers to operate ethically, and respect human rights, occupational health care, and employee safety, including the importance of sustainable environmental management, including the issues that PTT pays attention to, consisting of 4 main topics as follows:

1. Business Integrity
2. Corporate Social Responsibility
3. Safety
4. Environmental Management.

## 2. Sustainable supplier selection and management process development

For supply chain management to be in line with the organization's direction, PTT has established guidelines for supplier management that take into account Environmental, Social, and Governance (ESG) impacts. Assessing risks and impacts from the perspectives of the environment, society and oversight of goods and services groups, PTT divides business partner management into 3 levels which are (1) Critical/ Strategic, (2) Key and (3) Manage/ Routine (in order of potential severity of impacts) levels. For those in the Critical/ Strategic group, management actions are more intensified than in the other groups. Besides formally acknowledging the PTT Supplier Sustainable Code of Conduct, they must respond to the Sustainability Performance Assessment Form. After self-assessment, if they are under the criteria, they will need to formulate the ESG Corrective Action Plan. PTT reserves the right to audit business partners' self-assessment outcomes. In 2023, PTT team in conjunction with a third-party agency conducted sustainability assessments of 11 "Critical" business partners. Overall, their scores passed the criteria set by PTT. A project designed to develop suppliers' sustainable operation which PTT selected major business partners whose operations involved ESG for training on sustainability capability development and practices and taking self-assessment regarding sustainability capability

for development planning in line with PTT's policy. In addition, PTT has a Green Procurement policy conforming to the public sector. A system was developed in support of green procurement through the PTT Vendor Management System, which compiles green product and green spending data. In 2023, there were 23 tasks related to green spending and green products, which valued at some THB 494 million.

PTT and PTT Group seriously take the reduction of risks in product/ service supply, boosting confidence in supplier services, and sustainable procurement of international standards. In 2023, PTT applied the standard criteria of ISO 20400:2017 Sustainable Procurement with the joint procurement of 3 groups in PTT Group. It planned to extend this practice to cover all business groups within 5 years.

In addition, to illustrate PTT's transparency and confidence in business operations, PTT joined public agencies in preventing and suppressing corrupt practices by signing a memorandum of cooperation on driving such actions with the Office of the National Anti-Corruption Commission (NACC), State Enterprise Integrity and Transparency Assessment (ITA), State Enterprise Policy Office (SEPO), and other state enterprises to ensure that the national strategy on prevention and suppression of corrupt practices, relevant measures, relevant government policies, and action plans are successfully driven to implementation in state enterprises under CG. To this end, for the provision and disclosure of information on procurement, PTT has disclosed related data in compliance with the announcement of the Official Information Commission on the requirement that information on the outcomes of procurement deliberation of public agencies must be opened to the public under Section 9 (8) of the Public Information Act of B.E. 2540 (1997). Disclosure is to be done monthly through [www.pttplc.com](http://www.pttplc.com) for public examination. Note that PTT's procurement information disclosure is subject to annual assessment through a project on State Enterprise Integrity and Transparency Assessment (ITA), sponsored by NACC. In 2023, the score for PTT was 100% on procurement information disclosure, based on the assessment of visual evidence inspection.

Since August 24, 2017, PTT has complied with the Public Procurement and Supplies Administration Act, B.E. 2560 (2017) by disclosing its annual procurement plan for interested parties to join price bidding with PTT and manage their bidding readiness. PTT has disclosed its annual procurement plan via 3 channels: [www.pttplc.com](http://www.pttplc.com), e-Government Procurement (e-GP) of the Comptroller General's Department, and bulletin boards at PTT offices.

PTT has appointed PTT Procurement Oversight Committee (KorTorJor) to ensure transparency of procurement, both those requiring compliance with Public Procurement and Supplies Administration laws and those direct commercial procurements requiring compliance with PTT regulations already approved by the Public Procurement and Supplies Administration Policy Committee. The committee consists of executives from procurement and legal units and the Office of Corporate Audit, charged with roles and responsibility for governing and auditing procurement processes to ensure compliance with laws, regulations, criteria, and relevant processes. Annually, the committee inspects procurement processes randomly to detect deficiencies, causes, and preventive measures for non-recurrence.

In addition, PTT has developed the PTT Bid Submission system to support the request purchase of procurement documents and submitting proposals and prices through online channels, including the improvement of the Supplier Handbook launched on September 1, 2023. This is to create knowledge and understanding about procurement transactions with PTT, also a guideline for contact and cooperation with related units more conveniently. Criteria of the PTT Approved Vendor List (PTT AVL) have also been improved by adding blacklist criteria and qualification inspection of those wanting transactions with PTT as a part of supplier selection. This complies with Corporate Governance Policy and PTT's commitment to conducting business based on transparency, fairness, and auditability.

### 3. Capability development of relevant parties

Since the mastery and caliber of relevant parties represent another key factor driving the success of this matter, PTT values capability development on procurement and management of business partners by PTT's executives and employees in a systematic and suitable way. This is achieved through training, communication, and knowledge

management (KM), to achieve the sustainability objectives of business partner management of PTT and PTT affiliates companies. Annual reviews and plans are conducted for the development of employees in the procurement profession to empower employees to effectively accommodate organizational changes. The focus is on providing employees with expertise in laws, rules, and regulations related to procurement. Employees are encouraged to attend procurement courses certified by government agencies. Their knowledge is enhanced by inviting qualified and experienced instructors from government agencies such as the Office of the Ombudsman, and the Office of the Attorney General to give lectures, educate, give advice, and observations on additional operations to ensure that employees have knowledge and understanding, expertise in procurement, able to perform work correctly and professionally. Knowledge is extended and applied using information technology to design and develop Digital Procurement with a focus on preventive and control system development for raising the standard of PTT's procurement process to be efficient, accurate, fast and responsive to the needs of suppliers.

PTT organizes additional training courses such as a sustainable procurement guideline workshop in line with ISO 20400:2017 Sustainable Procurement to provide employees with knowledge and understanding of sustainable procurement principles, the development of PTT Group ESG Auditors to equip employees with knowledge and understanding of assessment criteria, basic auditing principles, guidelines and processes of a good auditor, which can be adapted or integrated into the sustainability vendor audit process, as a guideline for developing each business partner to sustainably conduct business in the environment, society, economy together with PTT Group.

To create an exchange of information and knowledge among PTT and business partners and develop their potential to be ready to support PTT in terms of operating results, business continuity as well as social responsibility, PTT organizes a supplier seminar every year. In 2023, Supplier Seminars were held 4 times at the PTT Head Office, Rayong Gas Separation Plants, Natural Gas Transmission, and Natural Gas for Vehicles. PTT communicated the direction of its business operations, aiming at a Net Zero

goal in 2050, and introducing Life Science, PTT's new business. Business partners, important stakeholders of PTT, were given opportunities to exchange procurement information for mutual and systematic improvement. New technology was introduced to every step of procurement, accommodating quick changes under the Digital Procurement Project to prepare for and be aware of the world's movements that may affect business operations by focusing on educating suppliers to develop their operational potential in sustainability. In addition, PTT also focuses on responding to the needs and treating all groups of stakeholders with equality, transparency, and fairness, especially those business partners throughout the supply chain that PTT attaches great importance to by developing, supporting, promoting growth, and moving forward sustainably together.

PTT requires bidders to strictly conform to the rules of work safety and handling of tools, as well as other regulations, particularly the types of work affecting health, safety, and the environment. PTT visits business partners' sites to assess their capabilities, particularly those on the Safety, Security, Health, and Environment side. In addition, business partners' employees must undergo the do's and don'ts on PTT's sites in addition to conforming to the requirements for entering sites to work, as described for each.

PTT Approved Vendor List (PTT AVL) is prepared for the benefit of procurement through bidding to ensure that, under the process of determining business groups and procedures or methods of selecting business partners to register for PTT AVL, business partners are efficient and deliver products/ services that meet PTT's requirements and foster sustainable partnership with PTT. In 2023, PTT AVL consisted of 327 companies from 28 business groups.

To ensure efficient preparation of PTT AVL, PTT considers the criteria, conditions, and qualifications of business partners who apply to PTT AVL in each business group. Initial qualifications of business partners must meet the following requirements:

1. Business partners must never have abandoned the work of PTT, the public sector, state enterprises and government agencies.
2. Business partners must not have the following PTT Blacklist criteria:
  - Be a person the NACC resolves as having grounds for fault. Such a person shall be released from the prohibited characteristics under this when it later appears that the case is final, and the person is not guilty.
  - Be a party to PTT in any dispute or case for which criminal penalties are imposed, but not including petty offenses.
  - A person who has been terminated by PTT for any contract due to fraudulent actions against PTT.
  - Be a person who is in the process of being ordered bankrupt by the court.
  - Be a person designated and declared by the Anti-Money Laundering Office under the Anti-Money Laundering and Combating the Financing of Terrorism laws.
3. If business partners were removed from the Vendor List, they would have no right to apply for registration in that particular business group for 3 years from the day of revocation. An exception applies if the removal was the result of abandoning the work of PTT, state enterprises, and public sector agencies, in which case PTT will not accept them to PTT AVL until PTT receives a letter proving the cancelation of such removal.
4. Business partners must understand and acknowledge PTT Suppliers' Sustainable Code of Conduct (SSCoC).

Apart from these initial criteria, PTT assesses business partners' operations and sustainable implementation in parallel.

After business partners deliver products/ services in each allotment, PTT will assess and notify them of the strengths/ improvements to make in operation for future supplier development.

In addition, PTT supports Thai suppliers of goods and services and gives them top priority. Past procurement information reveals that PTT has procured about 79% of local products, generating cash flow in the Thai economic system, promoting procurement of products from the areas where PTT sites are located, also promoting jobs as well as generating income for people in the communities.

## 6. Directors and Employees

Employee data are reported under Section 7: Corporate Governance Structure, Topic **“7.5 Employees.”**

### Respect for Universal Human Rights Principles (Code)

With the rollout of the human rights management system in 2016, PTT has clearly demonstrated its commitment to conducting business with respect for human rights principles in PTT's Human Rights Statement, PTT's Sustainability Management Policy and PTT's Compliance Policy. PTT has reviewed risk aspects on human rights covering PTT Group's business operations under PTT Group Way of Conduct of 17 companies in 31 countries, or a total of 81 areas. What the Group found were the aspects that represented core operational risks: security and occupational health of employees and contractors, labor rights, suppliers' workplace conditions, community living standards, and the rights of natives. Control measures have been developed and applied along with human rights management plans to keep risks manageable along with raising the management level to be better and quarterly follow-up on plan implementation and report to the relevant committees, for acknowledgment and comments as an assurance of maximum effectiveness in order to be efficient and achieve the required effectiveness. In 2012, PTT became a member of the United Nations Global Compact (UNGC) and disclosed operating information under the 10 Principles of the UNGC. In addition, PTT enrolled in the effectiveness assessment of operating outcomes on human rights organized by Corporate Human Rights Benchmark (CHRB) and was ranked in the 2<sup>nd</sup> quartile level of the Extractive industry group despite the more intense assessment methodology. PTT was also awarded the Outstanding Role Model Organization Human Rights Award 2023 in the State Enterprise sector by the Rights and Liberties Protection Department, Ministry of Justice for the 3<sup>rd</sup> consecutive year.

### Significant Disputes with Stakeholders

This appears under Section 1: Business Operations and Performance, **“5.2 Legal Disputes.”**

## Policies and Guidelines for Stakeholders' Personal Data Protection

PTT attaches great importance to the protection of the personal data of all groups of stakeholders to ensure relevant stakeholders that PTT would protect and treat personal data under PTT's control under the Personal Data Protection Act B.E. 2562 (PDPA), which came into effect on June 1, 2022. PTT has established personal data protection policies and guidelines within the organization to ensure PTT's operations related to the personal data of various groups of stakeholders, including the personal data of customers, business partners, and business associates have regulatory procedures and appropriate, concise, consistent operational guidelines as required by laws. In addition, PTT personnel are to know how to treat personal data and be able to correctly perform their work under the laws, including the collection, use, disclosure, and security of personal data. “Privacy Center” has been set up on PTT Website <https://pttpdpa.pttplc.com/> to provide a channel for various groups of stakeholders who own personal data to know the details of personal data execution such as a Privacy Notice, which is a notification to the personal data owner to know the objectives, collection, use and disclosure of information, retention period, the rights of personal data owner. There are also channels for exercising privacy rights and channels for contacting PTT. Stakeholders can also contact PTT regarding the processing of personal data at the Data Protection Officer at [pttdpo@pttplc.com](mailto:pttdpo@pttplc.com)

## Disclosure and Transparency

Disclosure of information is a key transparency index of operation, a crucial factor for confidence among investors and stakeholders. PTT values accurate and precise information disclosure and creates numerous channels of disclosure so that all stakeholders can gain easy access towards information. It promotes awareness among directors, management and employees of the importance of information disclosure and transparent operations, and creates appropriate avenues for complaints while providing fair treatment to whistleblowers and those complained against as follows:



## Financial and Non-financial Reports

PTT discloses its sustainability reports and performance, taking into consideration all stakeholders' interests, covering Environmental, Social, and Governance (ESG) aspects, through the annual information disclosure form/ Annual Report (56-1 One Report) under "Driving Business towards Sustainability" and included information on the outcomes of sustainability implementation in Risk Management, Management's Discussion and Analysis (MD&A), and CG, as well as publicizing via PTT Website under Sustainability topic. The sustainability performance reporting was based on the Global Reporting Initiative (GRI) Standards, GRI 11: Oil and Gas Sector 2021, International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards (S1 and S2) of the International Sustainability Standards Board (ISSB), The United Nations Global Compact (UNGC), Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation of the World Economic Forum (WEF), and illustrating PTT's commitment to supporting the UN Sustainable Development Goals (SDGs). Furthermore, PTT applied the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to report performance on climate change via IFRS S2. There was also an annual review of the report to validate the information by an independent external party continuously.

## Investor Relations

Ever since PTT's privatization in October 2001 and share trading on SET in December 2001, the Investor Relations Department has centralized essential information to investors and shareholders, with financial data such as the quarterly performance and financial statements, quarterly Management's Discussion and Analysis (MD&A), corporate strategies, and outlooks of PTT, which are regularly, fairly, and thoroughly disclosed. Investors may directly contact Investor Relations at 0-2537-3518-9, e-mail: ptt-ir@pttplc.com,

and log on to the PTT Website at [www.pttplc.com](http://www.pttplc.com), which is regularly updated, for information in both Thai and English, which includes:

- Company information
- 56-1 One Report
- Information for common shareholders
- Information and activities for debenture holders
- Presentations and Webcasts
- Roadshow/ Conference
- Analyst Research
- Activity Calendar
- Code of Conduct for Investor Relations
- Major investment project information
- Policy and business direction statements by management
- Compliance with public policies
- Key plans
- Corporate Governance Policy
- Financial performance
- Non-financial performance
- Highlights of CSR activities
- Procurement
- Name and contact number of Investor Relations.

Through the years, PTT has valued disclosure of information that is accurate, complete, transparent, and comprehensive, as well as continual direct and indirect presentation of performance while keeping investors, shareholders, and relevant parties informed of its data. Highlights appear below:

- **Direct:** PTT regularly reports performance, capital budgets, and industry outlooks to analysts, institutional investors and employees at Quarterly Analysts' Meetings. In 2023, they were organized through physical meetings in parallel with virtual conferences (Microsoft Teams and Facebook live), in Thai and English, conference call; local and international roadshows/ conferences organized by securities companies and/or those directly contacted with IR; virtual conferences with analysts, institutional investors and/or related parties such as credit rating agencies. To increase communication channels and ease of access to information, continuous application of digital technology e.g. via PTTIR Line Chatbot to provide

information to analysts and institutional investors to access operating results, prices of oil, petroleum and petrochemical products, schedules of AGM and Analyst Meeting of PTT Group; dividend payment schedules of PTT Group; via response with autonomous text conversation; press meetings to discuss performance outcomes and investment projects; knowledge sharing on upstream and downstream businesses, cooperation of PTT Group via PTT Group ESG Day and PTT Group Investor Day for Thai fund managers; participation in SET's Opportunity Day via Virtual Conferences (Microsoft Teams); global institutional investors quarterly meeting Digital Platform (SET Digital Roadshow) to inform investors and analysts of directions and opportunities of PTT business operations according to the new vision. In 2021 - 2023, the following key activities took place:

Activity	2021 (Times)	2022 (Times)	2023 (Times)
Analyst Meetings via Facebook Live/ Webex/ MS Teams	4	4	4
Conference Calls (presentations of quarterly performances, capital investment, and other key events (if any))	4	4	4
Domestic roadshows/ conferences (including provision of basic PTT business knowledge, and via Physical and Virtual Meeting)	14	12	9
International roadshows/ conferences (Including Virtual Meeting)	11	12	5
Company Visits (via Physical and Virtual Meeting)	69	65	70
Credit Rating Review	3	3	3
Press Meeting	3	2	2
Company visits by analysts and institutional investors	-	1	1
E-mails/ phone calls	10 - 12 times a day	10 - 12 times a day	10 - 12 times a day
Quarterly SET Opportunity Days and SET in the City	4	4	4
Participation in SET Digital Roadshows (organized by SET)	4	4	4
Minor investors' meetings with management and company visits	No common shareholder visit in 2021, due to COVID-19	Two debenture holder visits (2 groups) (August 23 - 25, October 4 - 6) No common shareholder visit in 2022, due to COVID-19	Two debenture holder visits (2 groups) (May 23 - 25, October 3 - 5) One common shareholder visit (3 groups) (November 21 - 23)
Relations activities with debenture holders	12 (via online channel)	14 (3 via online channel)	16 (4 via online channel)

- **Indirect:** PTT disclosed information regarding, performance, financial statements, and reports filed with SET. The PTT's SET reports can be found at [www.set.or.th](http://www.set.or.th), [www.pttplc.com](http://www.pttplc.com) and the "Happiness" magazine for debenture holders (via PTT Debenture Application).
- Investors and interested parties can also submit inquiries to Investor Relations at Tel. 0-2537-3518-9, e-mail at [ptt-ir@pttplc.com](mailto:ptt-ir@pttplc.com), or through [www.pttplc.com](http://www.pttplc.com). In addition, PTT has constantly publicized news, business activities, operations, and project updates as well as addressing questions and facilitating contacts for the media and the public. In 2021 - 2023, the activities appear below:

Activity	2021 (Times)	2022 (Times)	2023 (Times)
E-mails	292	747	684
News/ photo releases	292	261	183
Press conferences	4	2	1
Media visits to operations (domestic and international)	1	3	3
Welcoming and providing information to visiting agencies for assorted purposes	-	5 groups (168 persons)	18 groups (594 persons)

#### 4) The Use of Inside Information

PTT has defined guidelines in its CG handbook for all employees on best practices, for the use of inside information and guarding of confidential information. They must guard PTT's inside information or confidential information not yet publicly available, and must not share inside information learned during the course of their duties with other parties or use it to fraudulently seek profit or to cause damage to PTT's interests.

In addition, PTT has a policy for the Board, management, and personnel with the privilege of inside information to refrain from insider trading of PTT stocks as well as those of PTT Group. If necessary, they must report such trading to the Company Secretary at least 2 days in advance. All PTT personnel will be reminded to refrain from using inside information through PTT's contact channels, in particular, upon important events such as capital increases, debenture issuance and etc.

## 5) Conflict of Interest

PTT requires information disclosure to prevent conflicts of interest and illegal, improper activities. Under the Board's policy, business decisions made by management and employees must be solely in PTT's best interests. All staff must not only avoid engaging in financial and other relationships with external parties that would lead to financial losses for PTT or a conflict of loyalty or interest but also not compromise the efficiency of business operations. Those staff with interests or related businesses that may require PTT's reviews and decisions must report their relationships and connection with potential conflicts of interest. PTT disallows such connected persons from exercising their authority for and involvement in such transactions.

### Reporting Transactions of Potential Conflicts of Interest with PTT

PTT has required the directors, management, and all employees to disclose annually regarding potential conflicts of interest and suspected conflicts through a specific disclosure form of interest with PTT. In addition, any approval of such items must not contain special conditions or specifications that are out of the ordinary, which are under PTT's internal controls. PTT's Office of Corporate Audit and the Audit Committee have been entrusted with the monitoring and resolution of issues related to conflicts of interest.

### Reporting Vested Interests of Directors, Management, and Related Parties

In the first quarter of 2023, the Board reported a form for reporting the vested interests of directors as basic information to manage the vested interests of directors and senior management. The directors and management are to report such matters every year and with every change in circumstances. The Company Secretary is to compile and submit the copy to the Chairman of the Board and the Chairman of the Audit Committee to check and manage conflicts of interest. During 2023, however, no such cases have arisen.

In addition, newly appointed directors must report their vested interests with directors, executives, and related persons and notify the Company Secretary for further collection and submission to the Chairman of the Board and the Chairman of the Audit Committee within 7 days.

### Reporting Changes in Share Portfolios

As part of the oversight of inside-information measures, all PTT directors and management, including their spouses and children under the legal age, must report any changes in their PTT share ownership to the SEC under Article 59 of the Securities and Exchange Act B.E. 2535 (1992) and its amendments within 3 days of the date of sale, purchase, disposal, or receipt of such shares. PTT defines a policy of disclosing or reporting the sale/ purchase/ disposal/ receipt of such shares/ and changes in share ownership of the directors and management to the monthly Board meeting, contained in advance as a regular agenda item.

Furthermore, a week before the closing of the quarterly and yearly financial statements, Office of President issues a letter regarding Insider Trading to the directors, management, or units and issues a letter regarding, forbidding to disclose such insider information to external parties or unrelated parties, and forbidding to buy or sell PTT shares within 45 days (for quarterly financial statements) and 60 days (for the annual financial statements) of the last effective date of the financial statements to SET, in other words before the financial statements are publicized to prevent insider trading. Directors, management, and personnel with the privilege to inside information must not trade securities or derivatives related to securities until after the period of 24 hours (1 day) from the time the information is disclosed to the public.



## Filing of Assets and Debts to the National Anti-Corruption Commission (NACC)

Under the Organic Act on Anti-Corruption B.E. 2561 (2018), PTT's directors and top executives, including directors and top executives in the companies where PTT holds more than 50% shares, are required to file a list of their own assets and debts, including those of their spouses both registered and unregistered, living together as husband and wife, and children under the legal age, to the NACC to verify the transparency of assets and liabilities. PTT has reported in the Online Declaration Registration System: ODRS of the NACC when there is a change in appointment or transfer of those responsible for filing assets and liabilities. PTT issues a reminder to each of the directors and senior management as required through a letter, direct notification, and a notification system.

## Declaring Vested Interests at Meetings

The Board of Directors has established a policy on Vested Interests in every Board meeting and any other meetings. The Chairman reminds directors to conform to the policy on conflicts of interest on all agenda items, which requires those with vested interests to declare themselves to the meeting to abstain from voting or giving any views so that other meeting attendees have the opportunity to consider, analyze and criticize without the influence of stakeholders. In 2023, there were 14 agendas to inform the Chairman of the Board (a total of 23 meetings).

## Review of Connected Transactions

The Audit Committee reviews related transactions and those with potential conflicts of interest that could undermine PTT's businesses to ensure conformance to the law and SET's criteria, all of which must be reported to the Board for approval.

## 6) Right of Shareholders

PTT has defined guidelines on the rights of shareholders and equitable and fair treatment and has a written policy and guidelines for the rights and equitable treatment of shareholders for directors, management, and employees to comply with PTT's "Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook".

## 7) Anti-Fraud and Corruption

PTT is committed to running its businesses with integrity, transparency, fairness, and adherence to the CG Code, and resisting all forms of Fraud and Corruption, direct or indirect. Anti-Fraud and Corruption Operations were initiated with continuous improvement as follows:

- PTT prepared its annual work plan in line with the National Strategy (2018 - 2037), which aims to balance and develop the public administration system to be transparent and free from corruption and misconduct. PTT joined forces through PTT's Corporate Governance and Anti-Fraud and Corruption strategies aiming to elevate PTT Group Sustainability with Business Integrity, adhering to transparent business management under Corporate Governance, Risk Management, Anti-Fraud and Corruption, Adequate Control and compliance with laws, rules, and regulations.
- PTT realizes that fraud and corruption are critical problem that causes damage to the country. It is thus important to integrate work and develop Anti-Corruption networks with government and private agencies to push forward the fight against fraud and corruption in a concrete manner through various cooperation such as signing of Memorandum of Understanding (MOU) on Driving Good Corporate Governance among the Office of the National Anti-Corruption Commission (NACC), the Securities and Exchange Commission (SEC), Thai Institute of Directors Association (IOD) and 51 state enterprises, the establishment of PTT's Anti-Corruption Operations Center in State Enterprises, joining National Anti-Corruption Day and International Anti-Corruption Day, participating in discussions to exchange ideas in various forums organized by public and private sectors, etc.

- In 2012, PTT joined the United Nations Global Compact (UNGC) to show its desire to apply to its business the principles of human rights, labor rights, environmental preservation, and Anti-Corruption at the international level.

*PTT has presented an update of its compliance with the 10 universal principles of UNGC on PTT Website [www.pttplc.com](http://www.pttplc.com) under Section Sustainability, Subheading: Sustainability Governance, Topic: Sustainability Network.*



- PTT's Anti-Fraud and Corruption Policy was defined as part of the Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook, and PTT Group's Anti-Fraud and Corruption Policy as a part of PTT Group Way of Conduct so that PTT affiliates can act the same way and these will drive to companies achieve synergy under the investment objectives.

*Details of PTT's and PTT Group's Anti-Fraud and corruption policies are as shown in [https://www.pttplc.com/uploads/CG/PTTGroupAnti-FraudandCorruptionPolicy2022\\_EN.pdf](https://www.pttplc.com/uploads/CG/PTTGroupAnti-FraudandCorruptionPolicy2022_EN.pdf)*



- PTT enlisted in the declaration of intention to join the Thai Private Sector Collective Action Against Corruption (CAC), an endeavor of IOD with the support of the government and NACC. As one of the first 27 companies to do so, PTT underwent the certification process and became a certified member in 2014. PTT also won approval for CAC recertification for a third term on March 31, 2021.
- Since 2014, PTT has begun enforcing PTT's and PTT Group's Anti-Corruption Policies. The policies were revised in 2019 to be PTT's and PTT Group's Anti-Fraud and Corruption Policy, containing the essence and practice in line with the laws, practices, and standards of leading companies. In 2023, improvement was made to cover related policies on hiring state officers for implementation clarity and raise awareness among employees not to use such channels in return for any benefit or create a conflict of interest.

- PTT's Anti-Fraud and Corruption Policy forbids PTT's employees to conduct or not participate in corrupt practices as well as all forms of bribery offers or acceptance (direct and indirect). They must seriously observe the Anti-Fraud and Corruption Policy, which covers various processes, including donations to charities, HR administration, procurement, internal control, and etc.

*Details of PTT's Anti-Fraud and Corruption Policy are as shown in [https://www.pttplc.com/uploads/CG/PTTAntiFraudandCorruptionPolicy2023\\_EN.pdf](https://www.pttplc.com/uploads/CG/PTTAntiFraudandCorruptionPolicy2023_EN.pdf)*



- PTT declared its “No Gift Policy” for any festive period since 2015 to present and enforced practical guidelines under PTT Group’s policy on gifts, entertainment, or other benefits to establish a higher standard for business practices in the hope of having all employees do their best without expecting benefits. To this end, a letter was sent to business partners and external agencies, and signboards were put up on the premises of PTT along with assorted PR channels. PTT was the prototype company of Thailand to truly enforce this policy.
- PTT has developed a Fraud and Corruption Risk Assessment Manual for all units to use as a guideline for fraud and corruption risk assessment in their work processes (Process Level) in order to have an adequate and appropriate internal control process and set to be reviewed regularly.
- PTT places great importance on conducting business based on transparency, fairness, accountability, and compliance with the law, an effective risk management and internal control system. The third-party screening program has thus been set up for auditing and supervising the transparency of transactions with third parties, to create a standard for examining the qualifications of those who enter into transactions with PTT to be rigorous and appropriate. In 2023, PTT promulgated the criteria and manual for auditing and supervising transparency in transactions with third parties under the blacklist criteria to create a rigorous and appropriate standard for examining the qualifications of those who enter into transactions with PTT.
- PTT communicates its Anti-Fraud and Corruption Policy and guidelines to its subsidiaries, associates, and other PTT-controlled companies, business partners, and stakeholders as well as the public through assorted channels including letters, e-mails, website, PTT intranet, seminars, activities and exhibitions so that all stakeholders may acknowledge and conform to PTT’s guidelines.
- PTT communicates with its employees and provides training to ensure their understanding of Anti-Fraud and Anti-Corruption measures, PTT’s expectations and disciplinary actions for non-compliance. The training includes an orientation session, morality courses, and e-Learning, including supports its executives’ and employees’ participation in public courses on Anti-Fraud and Anti-Corruption.
- PTT applies information technology as a means for its personnel to express their transparency such as conflict of interest report system, e-Trading, which shows pre-order trading of PTT and PTT Group for preventing insider trading, and a reporting system on receiving/ offering customary gifts, assets, and others benefit under the No Gift Policy; PTT personnel who have to receive and cannot return a gift must report and give it to the Good Governance and Corporate Ethics Department to collect and donate for public use.
- Oversight and monitoring of performance:
  - The Board is to supervise PTT to command an efficient system for Anti-Fraud and Corruption to ensure that management recognizes and values Anti-Fraud and Corruption and abides by Anti-Fraud and Corruption measures.
  - The Audit Committee reviews the efficiency and effectiveness of corporate governance, risk management and internal control processes; financial reporting, and other procedures concerning Anti-Fraud and Corruption measures to ensure such measures are adequate and effective. The committee also regularly reports internal audit outcomes regarding Anti-Fraud and Corruption measures to the Board and provides best practices to the Board and the executives.
  - The Corporate Governance and Sustainability Committee endorses objectives, goals, strategies, and management framework and grants Anti-Fraud and Corruption Policy and implementation directions.

The committee annually provides recommendations and guidelines, monitors, and assesses performance, and steers and advocates risk management practices concerning Anti-Fraud and Corruption and process-level corruption by assessing fraud and corruption risk and reviewing Anti-Fraud and Corruption measures for adequacy and suitability.

- Executives establish risk assessment for business processes that may lead to corrupt practices, review the efficiency and effectiveness of internal control processes and measures, and personify proper behavior as well as communicating it to all employees and related parties.
- PTT establishes procedures for maintaining auditable documents and records to confirm the accuracy and suitability of financial reports. The internal control of accounting processes and information storage is audited to verify the effectiveness of Anti-Fraud and Corruption processes and ensure that the entry of financial items is well-evidenced for audit.
- The Office of Corporate Audit reviews items of potential conflicts of interest, the possibility of occurring corruption, and corporate efficiency for managing risks arising from corporate corruption and those at the operating level. The office also reviews business ethics principles and the code of conduct for executives and employees. It reviews actions and reports to the Audit Committee and top executives immediately when encountering items or actions that could undermine PTT's performance outcomes, including fraud.

## 8) Disciplinary Measures for Non-Compliance with Policies, Regulations and Guidelines

- Measures, scope, and tools for whistleblower protection:
  - PTT's HR administration process echoes its commitment to Anti-Fraud and Corruption measures. Although refusal to take part in fraud and corruption may deprive PTT of business opportunities, its policy is not to demote, punish, or harm those who do so.
  - PTT's employees should not ignore actions in potential conflicts with Anti-Fraud and Corruption measures. PTT has established channels for whistleblowing and the protection of whistleblowers or those who need advice about conformance to Anti-Fraud and Corruption measures.
  - PTT has established rules on "complaint-filing and whistleblowing on corruption and non-compliance with laws and corporate regulations" to define applicable criteria and guidelines that are explicit, transparent, fair and uniform throughout the corporation. Protective measures and fair treatment are in place for whistleblowers or those who provide information.
- Punishment
  - PTT has established a suitable and fair process for punishing violators of Anti-Fraud and Corruption measures. Any violation of this policy, direct or indirect, will be called for disciplinary review under PTT's regulations, consisting of fact-finding, investigation, punishment, and appeal. They could also lead to punishment by law. Employees must therefore master and strictly conform to the Anti-Fraud and Corruption Policy in every step of their works.

## 6.2 Code of Conduct

### Code of Conduct and Code of Business Ethics

PTT has its written policy and a code of conduct included in the “Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook” (CG Handbook), based on international standards. The handbook compiles the format, scope of standard behaviors, and actions that the directors, management, and employees must comply with during the course of business and in their duties with ethics, integrity, fairness, and equality. The code maintains PTT’s image as an organization of sustainable growth. Supervisors are responsible for the monitoring and promotion of CG compliance among their subordinates. Violators of the code are subject to disciplinary action.

The essential aspects of the code are included below:

1. Respect and compliance with laws and regulations and human rights principles
2. Anti-money Laundering
3. Political neutrality
4. No vested interests or conflicts of interest
5. Maintaining information confidentiality and refraining from using inside information for personal gain
6. Responsibility to customers and their needs
7. Free and fair business competition
8. Transparent procurement and fair treatment of business partners (suppliers)
9. Community, Social and Environmental responsibility
10. Support of employees’ rights and promotion of their engagement
11. Stringent, transparent, and equitable observance of contracts/ agreements with creditors
12. Internal control system and efficient internal audit
13. Guidelines for receiving and offering customary gifts, assets, and other benefits
14. Safety, Health, and the Environment
15. Respect for intellectual properties and proper application of information and communication technology
16. Responsible communication

Corporate Governance, Ethical Standards, and Code of Business Ethics can be found at [https://www.pttplc.com/uploads/CG/Publication/CGHandbookforOneReport/PTTCGHandbook\\_Revision5.2\\_EN.pdf](https://www.pttplc.com/uploads/CG/Publication/CGHandbookforOneReport/PTTCGHandbook_Revision5.2_EN.pdf)

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## 6.3 Milestone Development on the CG Policy, Guidelines, and System during the Year

In 2023, the Board approved the review and revision of the essence of the CG Policy, guidelines, monitoring system, and the CG Handbook as follows:

- Updating the CG Handbook, Revision 5<sup>th</sup>, with significant improvements as follows:
  - Revision of PTT’s Anti-Fraud and Corruption Policy to cover policies related to hiring government officials and add practices on hiring or appointing government officials for implementation clarity and raise awareness among employees not to use such channels in return for any benefit or cause conflicts of interest, which is a channel of fraud and corruption.
- Updating operational governance policies to comply with laws, regulations, and related international practices, e.g. ISO 37301:2021 Compliance Management Systems, and to support PTT’s new business operations.



## Other Implementation under CG Code

The survey conducted by the Thai Institute of Directors Association (IOD) under the Corporate Governance Report of Thai Listed Companies for 2023 ranked PTT performance on corporate governance as “Excellent”, with an overall score and by category higher than the average score of 782 other companies surveyed and higher than the average score of listed companies with a market value of not less than THB 10,000 million. The survey was based on publicized information in 2023.

PTT’s other guidelines which might be useful to other listed companies are

- PTT requires that independent directors must consist of at least half of the directors in office.
- PTT limits the number of listed companies in which each director can hold positions in no more than 3 companies.
- The Corporate Governance and Sustainability Committee Meeting No. 4/2023 on December 19, 2023, and the PTT Board Meeting No. 12/2023 on December 21, 2023, considered PTT’s current Corporate Governance Policy and operations, and they were of the opinion that PTT’s policy, measures, and operational processes are comparable with the “Corporate Governance Principles for Listed Companies 2017” (CG Code) prepared by SEC, and the “Corporate Governance Principles and Guidelines for State Enterprises 2019” prepared by the State Enterprise Policy Office (SEPO), Ministry of Finance. PTT also commanded short-term and long-term plans to develop PTT’s CG system to suit the business growth directions and trends of other international leading companies.

In 2023, PTT complied with CG principles but may not cover the criteria under the Corporate Governance Report of Thai Listed Companies regarding the composition of the Board, which should have at least 2 female directors. PTT has placed importance on the diversity of its board. Directors must possess such qualifications as experienced and expert from diversified occupations essential for PTT’s business operations in a balanced manner such as those who have knowledge in energy/ petroleum business, laws, accounting/ finance. PTT also pays attention to differences in society, nationality, gender, religion, belief, and culture. The Nominating Committee has set a target for recruiting at least 2 female directors, in addition to Mrs. Phongsaward Neelayodhin, PTT’s female director in 2023.

(Meeting attendance of the specific committees is detailed under Section 2: **“8.1.2 (1) Board Meetings”**).

## 7. Governance Structure and Key Data on the Board of Directors, Specific Committees, Management, Employees and Others



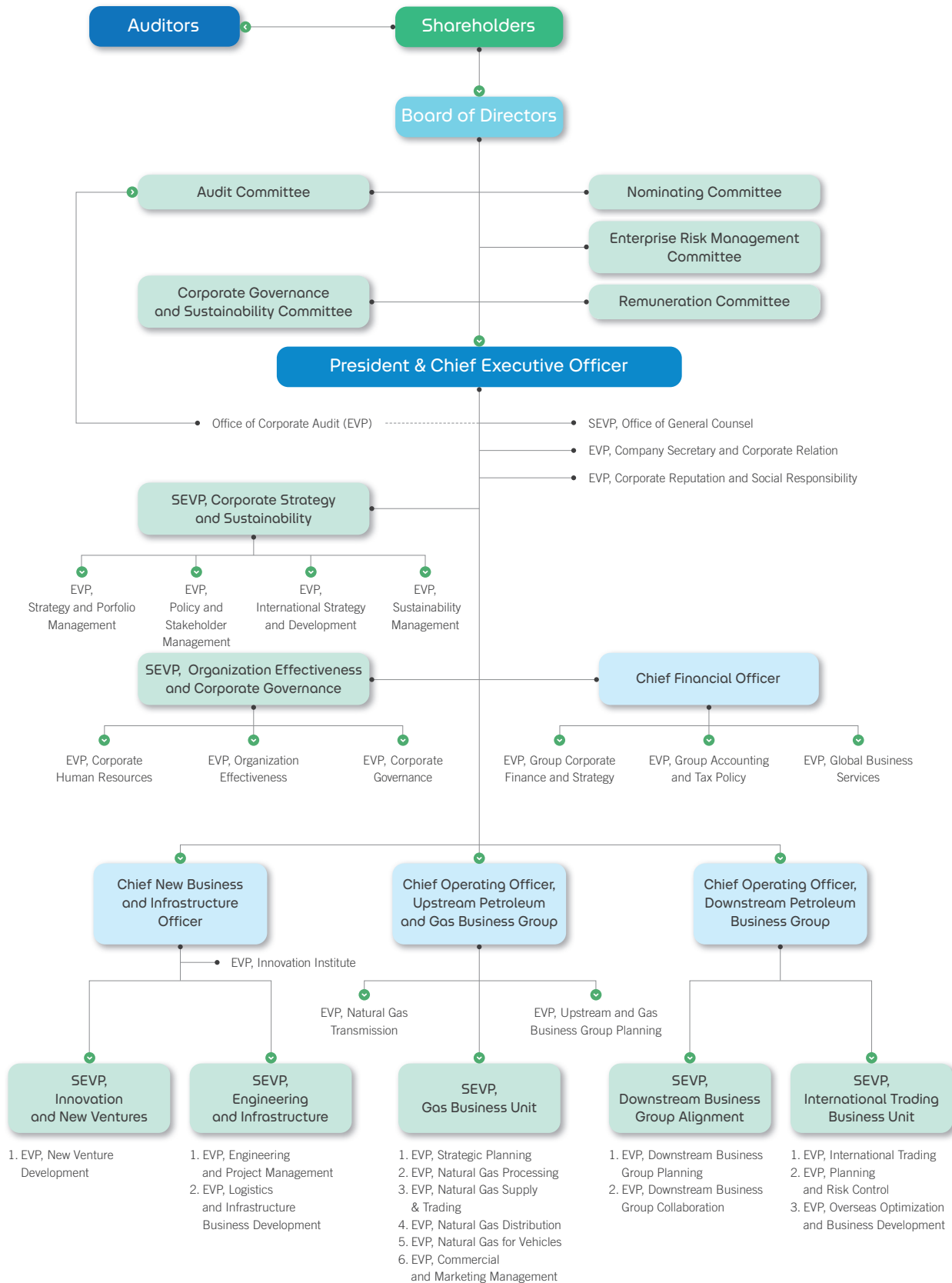
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# Structure



### 7.1 Governance Structure

PTT's management structure as of December 31, 2023, comprises the Board of Directors and five specific committees to consider significant matters: Audit Committee, Nominating Committee, Remuneration Committee, Corporate Governance and Sustainability Committee, and Enterprise Risk Management Committee. The President & CEO (President) is the top executive who manages PTT's business groups through 3 groups of 55 management committees.



Remark: EVP = Executive Vice President

## 7.2 Board of Directors

### 7.2.1 Composition of the Board

Under PTT's Articles of Association, the Board consists of:

- 5 - 15 persons
- A minimum of 3 independent directors (PTT's CG requires that independent directors account for no less than half of the Board.)
- At least 1 director must be knowledgeable in accounting and finance.

According to the certification of the Ministry of Commerce dated January 3, 2024, the PTT Board consisted of 15 directors as follows:

- 14 non-executive directors (93.33% of the entire Board)
- 12 independent directors, which exceeds half of the Board (80% of the entire Board)
- 1 executive director
- 1 female director

### 7.2.2 Information of the Board and Authorized Directors

The Board of Directors as of December 31, 2023, consisted of:

No.	Name	Position	Date of Appointment
1.	Mr. Chatchai Phromlert	Independent Director/ Chairman of the Board (Appointed as Chairman effective from December 23, 2023)	December 1, 2023 (First term)
2.	Mr. Krishna Boonyachai	Independent Director/ Chairman of the Audit Committee (Expertise and experience to review and ensure the accuracy and credibility of financial statements)	July 3, 2020 (First term) April 12, 2023 (Second term)
3.	Mr. Payong Srivanich	Independent Director/ Chairman of the Nominating Committee	April 9, 2021 (First term)
4.	GEN. Teerawat Boonyawat	Independent Director/ Chairman of the Remuneration Committee	April 11, 2019 (First term) April 8, 2022 (Second term)
5.	Mr. Jatuporn Buruspat	Independent Director/ Chairman of the Corporate Governance and Sustainability Committee	April 9, 2021 (First term)
6.	Dr. Prasert Sinsukprasert	Director (Appointed as Chairman effective from November 16, 2023 - December 22, 2023)	December 26, 2022 (First term) April 12, 2023 (Second term)

No.	Name	Position	Date of Appointment
7.	Professor Dr. Thosaporn Sirisumphand	Independent Director (Appointed as Chairman effective from November 18, 2020 - November 15, 2023)	November 6, 2020 (First term) April 8, 2022 (Second term)
8.	Associate Professor Dr. Narongdech Srukhsit	Independent Director/ Member of the Audit Committee	October 8, 2021 (First term) April 12, 2023 (Second term)
9.	Air Chief Marshal Chanon Mungthanya	Independent Director/ Member of the Audit Committee	April 12, 2023 (First term)
10.	Mr. Chansin Treenuchagron	Independent Director/ Member of the Nominating Committee/ Member of the Enterprise Risk Management Committee	May 14, 2022 (First term)
11.	Mr. Lavaron Sangsnit	Director/ Member of the Nominating Committee/ Member of the Remuneration Committee	April 12, 2023 (First term)
12.	Mr. Phongsthorn Thavisin	Independent Director/ Member of the Remuneration Committee	May 9, 2023 (First term)
13.	Assoc. Prof. Dr. Chayodom Sabhasri	Independent Director/ Member of the Corporate Governance and Sustainability Committee/ Member of the Enterprise Risk Management Committee (Expertise and experience to review and ensure the accuracy and credibility of financial statements)	April 9, 2021 (First term)
14.	Mrs. Phongsaward Neelayodhin	Independent Director/ Member of the Corporate Governance and Sustainability Committee	December 1, 2023 (First term)
15.	Mr. Auttapol Rerkpiboon	Director and Secretary to the Board (President & CEO)	May 13, 2020 (First term) April 9, 2021 (Second term)

**Remarks:**

In 2023, the Board/ the Annual General Meeting (AGM) appointed new directors to replace those who had either completed their terms and/or resigned as follows:

- No. 1: Mr. Chatchai Phromlert was appointed an independent director with effect from December 1, 2023, replacing Mr. Danucha Pichayanan, who resigned with effect from October 9, 2023, and was appointed Chairman of the Board effective from December 23, 2023.
- No. 9: Air Chief Marshal Chanon Mungthanya was appointed an independent director with effect from April 12, 2023, replacing POL. GEN. Rungroj Sangkram, who retired by rotation at the 2023 Annual General Meeting (AGM).
- No. 11: Mr. Lavaron Sangsnit was appointed a director with effect from April 12, 2023, replacing Mr. Phongsthorn Thavisin, who retired by rotation at the 2023 Annual General Meeting (AGM).
- No. 12: Mr. Phongsthorn Thavisin retired by rotation at the 2023 Annual General Meeting (AGM) on April 12, 2023, and was appointed a director with effect from May 9, 2023, replacing M.L. Chayotid Kridakon who resigned effective from March 22, 2023. His status has been changed to an independent director effective October 19, 2023.
- No. 14: Mrs. Phongsaward Neelayodhin was appointed an independent director with effect from December 1, 2023, replacing Mr. Krisada Chinavicharana who resigned effective from August 31, 2023.



## 7.2.3 Authorities, Duties, and Responsibilities of the Board

### Authorities of the Board

- The Board is authorized to supervise and oversee PTT's management's compliance with applicable laws, objectives, articles of association, and resolutions of shareholders' meetings.
- The Board is authorized to select one director to serve as Chairman and may select a Vice Chairman if appropriate.
- The Board is authorized to appoint the President & CEO who has been nominated under the nomination process and procedures under relevant laws and regulations. The President & CEO shall be a director and secretary to the Board of Directors.

### Duties and Responsibilities of the Board

- The Board is authorized to supervise and manage PTT under PTT's Articles of Association to ensure that PTT abides by laws, objectives, articles of association, and resolutions of shareholders' meetings in addition to policies or policy guidelines.
- The Board shall emphasize and devote time to the formulation of the corporate vision, mission, strategies, policies, and business plans. In addition, they shall pursue helpful information for such formulation; review potential risks; and ensure management's ability to transform such vision, mission, strategies, policies, and key work plans into efficient and effective fruition, complete with competitiveness and proper performance results with due regard for long-term impacts. PTT must conduct business with ethics, respect shareholders' and stakeholders' rights with responsibility, steer good corporate citizenship with corporate resilience, and encourage innovation within the company. The Board shall review the corporate vision, direction, and strategies annually.
- The Board shall review and endorse the company's strategies, policies, and business plans in addition to objectives, financial targets, and budgets as well as key resource allocation to enable objective and goal achievement.

- The Board shall regularly provide oversight, control, monitor, and review of management performance to ensure that they are performing according to the approved business plans in line with the company's direction and strategy at least annually. To this end, the Board shall advocate corporate culture to achieve the mission, objectives, targets, strategic plans, and business policies.
- The Board shall review and approve significant transactions that create obligations for PTT Group in line with laws, articles of association, policies, regulations, or operational authority, including connected transactions and key transactions. To this end, transaction approval processes shall comply with legal requirements with an emphasis on the optimal interests of shareholders and stakeholders as a whole. The Board shall oversee and resolve potential conflicts of interest and connected transactions.
- The Board shall ensure that the company's accounting systems, financial reporting, and account auditing are reliable and that the assessment processes for internal control and internal audit are effective and efficient.
- The Board shall establish clear and written policies on principles and business approaches for the Board, management, and employees, including the Corporate Governance Policy, Ethical Standards, Code of Business Ethics, and Internal Control Policy. The Board shall ensure communication among the Board, management, and employees so that they all may be kept thoroughly informed and apply with true understanding; as well as monitor and assess the implementation while regularly reviewing policies and implementation effectiveness.
- The Board shall ensure that potential risk factors are considered and the risk management policies for the whole of PTT are established with regular review. The management is obliged to implement the policies and report the results thereof regularly to the Board. The Board shall review and evaluate the risk management processes and effectiveness of risk management by emphasizing the potential signs or irregularity while seeking potential business opportunities arising from such risks.
- The Board shall establish an appropriate remuneration system or mechanism for management to motivate both short-term and long-term performance.
- The Board shall conduct a self-assessment and the assessment of the performance of each specific committee annually to examine its own performance and disclose the results in the 56-1 One Report.

- The Board shall assign authority and responsibility to the President & CEO for daily management of PTT's operations, ensuring that the operations are alignment with strategic plans, business directions, objectives, policies, and budget approved by the Board. In addition, the President & CEO's performance shall be appraised on a regular basis.
- The Board shall review and approve the remuneration of the President & CEO in keeping with PTT's short-term and long-term performance outcomes.
- The Board shall provide appropriate communication channels for shareholders and the disclosure of information shall be monitored to ensure high standards of accuracy, clarity, transparency, and reliability.
- The Board shall be leaders and role models for excellent performance, compliance with laws, and in line with PTT's principles of good corporate governance and encourage PTT's culture underlined by the commitment to business ethics.
- When the company gains sufficient profits and does not retain cumulative loss, the Board shall propose the distribution of dividends for shareholders' approval at the Shareholders' Meeting.
- The Board shall set up an appropriate regulatory framework for digital technology development in line with changing internal and external factors, including the use of information technology to increase opportunities and develop operations to achieve PTT's key goals and objectives.
- The Board shall consider and approve the master plan and annual action plan on digital technology development.

## The Board's Additional Authorities Include:

- Approve long-term investments, such as common stocks, preferred stocks, bonds, debentures, warrants, or other financial instruments.
- Approve financial support, including funds, common stocks, preferred stocks, loans, or others as appropriate for PTT-invested companies.
- Approve debt financing and issuance of debt instruments such as debentures.
- Approve the annual budget.
- Approve procurement and other related matters if the limits exceed the President's approval authority.

- Consent to employ, appoint, transfer, or promote employees serving as senior executive vice presidents or equivalent upward, and consent to appoint, transfer, or promote employees serving as executive vice presidents or equivalent upward.
- Appoint the Company Secretary.

## Authorized Director to Sign and Bind for PTT

According to PTT's Articles of Association, as of January 3, 2024, the directors whose signatures are authorized to sign and bind PTT are either (1) Mr. Auttapol Rerkpiboon, President & CEO, to sign and affix PTT's seal, or (2) Mr. Jatuporn Buruspat and Mr. Phongsthorn Thavisin, jointly sign and affix PTT's seal.

## Appointment and Dismissal of Directors

1. The Board consists of 5 - 15 persons who are appointed at shareholders' meetings. In addition, the Board consists of a minimum of 3 independent directors and at least half of the directors must reside in the Kingdom. At least 1 of them must be knowledgeable in accounting and finance. The Nominating Committee also seeks to maintain an appropriate balance and consider board diversity including expertise, skills, and qualifications without discrimination of gender, race, or religion in the appointment. All directors must have qualifications as specified by law and the Articles of Association. Since 2004, the Board has decided that independent directors must consist of at least half of the Board, a requirement that remains effective until the present. As of December 31, 2023, the Board had 12 independent directors, all of whom resided in Thailand. 4 directors are experts in accounting and finance, namely: Mr. Krishna Boonyachai, Assoc. Prof. Dr. Chayodom Sabhasri, Mr. Payong Srivanich, and Mr. Chansin Treenuchagron.
2. The shareholders' meetings are to appoint qualified directors whom the Nominating Committee has elected and proposed to the Board under the following criteria:
  - (1) Each shareholder has one vote per share held.
  - (2) Each shareholder exercises all votes applicable under (1) in electing one or several persons as directors, but may not allot the votes to any person at any number.

- (3) Candidates with the highest number of votes are to be appointed directors up to the number required at the meeting. If candidates get equal votes, which makes the number of successful candidates exceed that of directors to be elected, the Chairman of that meeting will cast the decisive vote.
3. At the AGM, one-third of the directors or if the number is not a multiple of three, then the number nearest to one-third - will retire from directorship. The directors retiring in the first and second year after PTT was listed are to be drawn by lots. For subsequent years, those with the longest terms are to retire.
  4. If a director's seat is vacated for reasons other than term completion, the Board may elect a qualified person without the prohibitions stipulated by PTT's Articles of Association to fill the vacancy at the next Board meeting unless the remaining term of the vacated director is less than two months. The acting director must secure at least three-quarters of the votes of the remaining directors. He or she can also stay in office only for the remaining term of the predecessor.
  5. Any director who wishes to resign from directorship must tender his or her resignation to PTT. Such resignation will take effect from the date the resignation letter reaches PTT.
  6. For voting to remove any director from the directorship before the completion of his or her term, a three-quarter vote of eligible shareholders present at the meeting is required as well as at least half of the total number of shares represented by the eligible shareholders present at the meeting.

## Qualifications of Directors

Directors must be duly qualified, without the prohibitions stated in the Public Company Limited Act B.E. 2535 (1992) and the Standard Qualifications of State Enterprise Directors and Officials Act B.E. 2518 (1975) and its amendments, as well as relevant Cabinet resolutions, including:

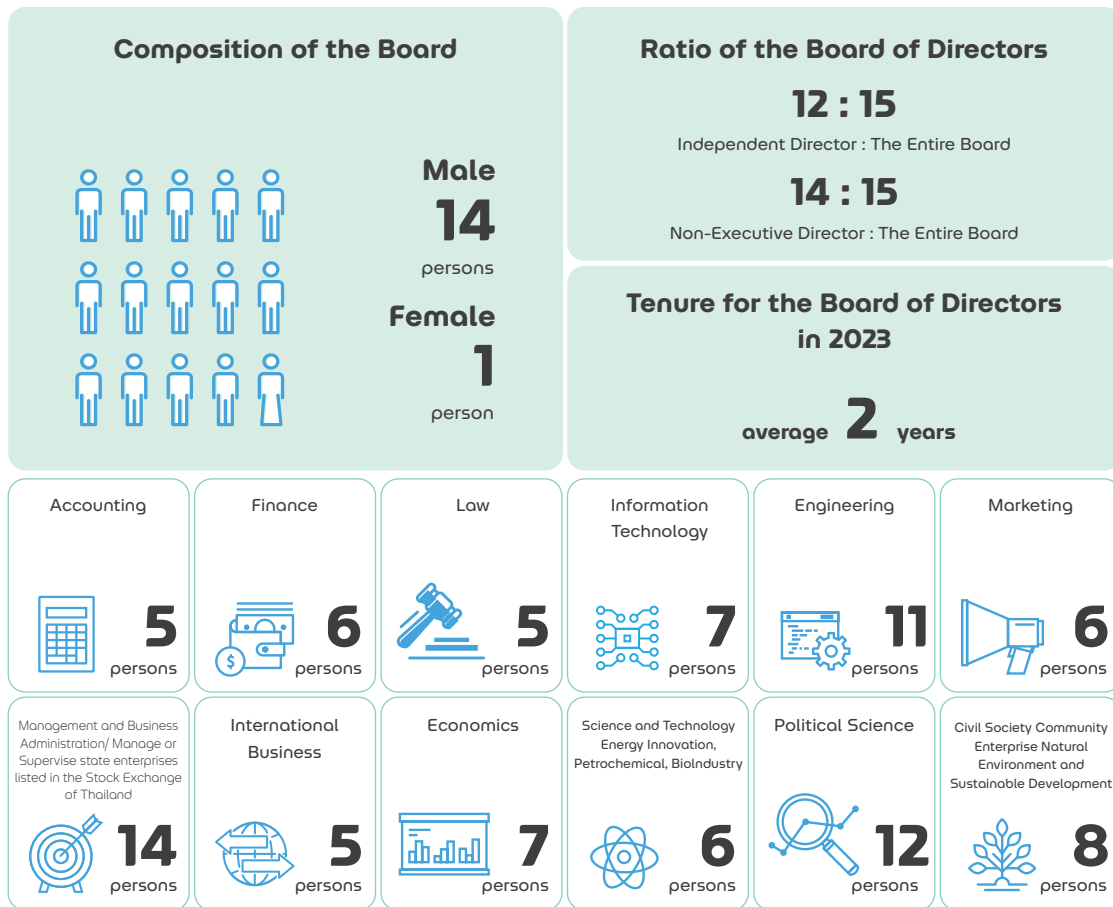
- Must not be over 65 years of age.
- Must not hold more than three directorships in state enterprises or juristic persons in which state enterprises hold shares, including appointments due to their positions and those due to acting assignments.
- Independent directors must command independence as required by SET's Notification on the Qualifications and Scope of Work of the Audit Committee.
- Must not be sentenced to imprisonment, except for violations of the law by negligence or a petty offense.
- Must not be a political official, except for holding a director position under a provision of law.
- Must not hold any position in a political party or be an official of a political party.
- Must not be expelled, dismissed, or removed from a position because of malfeasance.
- Must not be a shareholder of such state enterprise or a shareholder of a juristic person in which such state enterprise holds shares. Exceptions apply to directors of state enterprises who are not government officials, government employees, or wage earners with positions or position salaries of centralized, provincial, or local government, or other government agencies. Also, such state-enterprise directors can hold no more than 0.5% of the paid-up capital of the state enterprise in which they serve as directors or juristic persons where the state enterprise in question holds shares.
- Must not hold any position in a juristic person in which such state enterprise holds shares, except where entrusted by the Board of Directors of such state enterprise to hold a directorial position or other position in the juristic person in which such state enterprise holds shares.
- Must not be a director or an executive or person with authority over the management or an interest in a juristic person who is a concessionaire or joint-venture party, or having an interest in the undertakings of such state enterprise, except for being a chairperson of the Board of Directors, director or executive by entrustment of such state enterprise.

In addition, the Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook (Revision 5<sup>th</sup>), defines the term holding of a director with the following limits:

1. A maximum of three directorships in the state enterprises/ juristic persons of which the state enterprise is a shareholder.
2. A maximum of three directorships in SET-listed companies provided that the directorships under 2. do not contradict 1. Such directorships in 1. and 2. must not exceed five.

Besides, independent directors and members of specific committees shall serve no more than nine consecutive years.

In compliance with the law, PTT ensures that at least one-third of the Board is listed in the Director's Pool of the Ministry of Finance. As of December 31, 2023, 14 out of 15 PTT directors' names were listed in the Director's Pool.



## 7.3 Specific Committees

### PTT's Specific Committees consist of:

#### (1) The Audit Committee

Each quarter, the Audit Committee, together with the Chief Financial and Accounting functions and the external auditor (EY Office Limited), reviews PTT's financial reports. The Board is accountable for PTT Group's consolidated financial statements as well as other financial information presented in the annual report. The financial reports are prepared under generally accepted accounting principles and are audited and certified by Mr.Kittiphun Kiatsomphob, C.P.A. No. 8050, of EY Office Limited. Material information, financial and non-financial, is accurately, completely, and consistently disclosed.

The Board approved the appointment of the Audit Committee on October 1, 2001, which consisted of directors with the qualifications specified by SEC and SET laws. The committee must consist of at least three directors. As of December 31, 2023, it consisted of three independent directors as follows:

Name	Position in the Audit Committee	Position in the Board
1. Mr. Krishna Boonyachai	Chairman	Independent Director
2. Associate Professor Dr. Narongdech Srukhsosit	Member	Independent Director
3. Air Chief Marshal Chanon Mungthanya	Member	Independent Director

The Executive Vice President, Office of Corporate Audit served as secretary.

*Remarks:*

1. Mr. Krishna Boonyachai was appointed member with effect from July 3, 2020 and appointed Chairman with effect from April 12, 2023 (replacing POL. GEN. Rungroj Sangkram who was Chairman from June 17, 2021 to April 12, 2023.) He commands sufficient expertise and experience to review and ensure the accuracy and credibility of financial report.
2. Associate Professor Dr. Narongdech Srukhsosit was appointed member with effect from December 1, 2023 (replacing Associate Professor Dr. Chayodom Sabhasri who was a member from May 20, 2021 to November 30, 2023).
3. Air Chief Marshal Chanon Mungthanya was appointed member with effect from April 12, 2023.

## Duties and Responsibilities

1. Review and reassess the adequacy of the Audit Committee Charter at least one time annually in accordance with the PTT strategic objectives. Final approval of the Charter resides with PTT's Board of Directors.
2. Review the effectiveness and efficiency of governance, risk management, and control processes.
3. Review and ensure that PTT financial statement is appropriate and in accordance with the accounting standard.
4. Review and ensure that PTT business processes are in line with the Securities Law, the Stock Exchange's regulations, policy, rules, ordinances, the Articles, the Cabinet Resolutions, and the relevant laws.
5. Review and ensure that PTT internal audit system is appropriate including the sufficiency of internal control budget, resources, and organizational independence of the internal audit activity.
6. Consider any connected or Conflict of Interest transactions or fraud occurrence that may affect PTT business accordance with the Stock Exchange's regulations and rules.
7. Review and ensure that the business processes are in accordance with the State Enterprise Assessment Model (SE-AM), including monitoring the implementation of the relevant observations/ recommendations.
8. Recommend to PTT's Board of Directors, the Chief Audit Executive appointment, removal, and performance.
9. Recommend to PTT's Board of Directors, the external auditor nomination, appointment, or termination including its fee.
10. Coordinate with the external auditor and may propose to review or assess any significant accounting and reporting issues.
11. Receive complaints through the channels and methods identified in PTT's Rule on Complaints and Whistleblowing against Fraud, Malpractice, Misconduct, and Non-Compliance with Laws or Organizational Regulations.
12. Report to PTT's Board of Directors the Audit Committee performance at least one time quarterly. For the fourth quarter, the Audit Committee's Annual Report must be prepared and submitted to responsible of Ministry of Government agencies and the Ministry of Finance.
13. Report to PTT's Board of Directors, the Audit Committee performance on internal audit activity assessment at least one time annually.
14. Disclose the Audit Committee Annual Report and the external auditor annual fee in the PTT Annual Report.

15. Either the Chairman or a member of the Audit Committee must attend PTT annual general shareholders' meeting.
16. If competent advice or assistance is needed to perform internal audit activity or other Audit Committee tasks, the Audit Committee can propose PTT's Board of Directors to appoint any independent consultant or expert. The costs and expenses of such services or invitations shall be on PTT's account.
17. Inform the CEO, any breach of the Securities Law, the Stock Exchange's regulations, policies, rules, ordinances, the Articles, the Cabinet Resolutions, and the relevant laws to resolve the issue.
18. Meet at least one time quarterly and must hold a private meeting with the external auditor at least one time annually.
19. Officially meet with the management at least one time annually.
20. Perform any designated tasks by the laws or PTT's Board of Directors under the Audit Committee duties and responsibilities.

As found in PTT Public Company Limited's ordinance on the Audit Committee and the Internal Audit Unit, B.E. 2564 (2021).

In 2023, the Committee held 20 meetings and duly reported its findings to the Board. In addition, it participated in quarterly audits along with the external auditor and the Chief Financial Officer functions.

The Audit Committee disclosed its annual performance in the Report of the Audit Committee.

## (2) The Nominating Committee

The Board approved the appointment of the Nominating Committee on October 1, 2001, by appointing three directors.

As of December 31, 2023, it consisted of 3 members.

Name	Position in the Nominating Committee	Position in the Board
1. Mr. Payong Srivanich	Chairman	Independent Director
2. Mr. Chansin Treenuchagron	Member	Independent Director
3. Mr. Lavaron Sangsnit	Member	Director

The Company Secretary served as secretary.

### Remarks:

1. Mr. Payong Srivanich was appointed the Chairman with effect from October 19, 2023 (replacing Mr. Danucha Pichayanan who served as Chairman from April 8, 2022 to October 9, 2023).
2. Mr. Chansin Treenuchagron was appointed a member with effect from October 19, 2023.
3. Mr. Lavaron Sangsnit was appointed a member with effect from April 12, 2023.



## Duties and Responsibilities

1. Determine procedures and criteria for nomination of PTT's directors to ensure transparency.
2. Select director nominees to fill vacancies (due to resignation or term completion) for the Board's or the shareholders' meeting's consideration and appointment with due regard for the composition of the Board, expertise, competencies, and experience that would be useful to PTT in compliance with PTT's Board Skill Matrix and the Director Pool of the Ministry of Finance and Thai Institute of Directors Association (IOD). Equally important, nominees must have no conflict of interest with PTT, and the qualifications of desirable directors must prove compatible with PTT's business strategies.
3. Propose suitably qualified directors to perform duty as Specific Committee, considering the compositions of committees in question, suitability, qualifications, knowledge, and competencies. Then, propose the list to the Board for approval, except for the Nominating Committee which is being appointed directly by the Board.
4. Be directly accountable to the Board, while the Board is accountable for PTT's businesses to all stakeholders.
5. Assess the performance of the Nominating Committee and report to the Board of Directors for further disclosure in the PTT Annual Report.
6. Disclose its performance in the PTT Annual Report.
7. Hold at least two meetings a year.
8. Consider and approve the recruitment, appointment, transfer or promotion of employees (EVP or equivalent) to propose for approval from the Board. Exceptionally, in case that the Chief of Corporate Audit require to follow the PTT regulations for the Internal Audit Committee.
9. Perform other Board-assigned tasks.

The procedures and criteria for the nomination of directors are as follows:

1. The Committee defines the qualifications needed for replacements to ensure that new directors meet the criteria and qualifications required by applicable laws and regulations and align with PTT's strategy and operations.

According to the Corporate Governance, Ethical Standards, and the Code of Business Ethics Handbook, the Board should consist of experts from a variety of disciplines needed for the administration of PTT businesses. Specifically, its composition should consist of at least three experts in the petroleum business, one expert in the law, and one expert in finance and accounting. Currently, PTT's Board Skill Matrix consists of Accounting/ Finance/ Laws/ Information Technology/ Engineering/ Marketing/ Business Administration and Management/ Listed State Enterprise Management and Supervision/ International Business/ Economics/ Science and Technology/ Energy Innovation/ Petrochemical/ Biological Industry/ Digital/ Automation/ Artificial Intelligence or Robotics/ Political Science/ Security/ Crisis Risk Management/ Social, Community, Natural Resources and Environmental Activities, Sustainable Development, and Life Science.

2. The Committee summarizes the result of the nomination process and presents a shortlist of qualified candidates for the directorship along with supporting rationale to the Board.
3. The Board considers and selects qualified candidates from the list prepared by the Committee and submits their names to the shareholders' meeting for approval. The list must also be endorsed by the State Enterprise Policy Office (SEPO) in conformance with the guidelines on the appointment of state enterprise directors under the Cabinet resolution of August 6, 2019.

In 2023, the Committee held 11 meetings, with all committee members at the time in attendance. The Company Secretary served as secretary.

The Nominating Committee disclosed its annual performance in the Report of the Nominating Committee.

### (3) The Remuneration Committee

The Board approved the appointment of the Remuneration Committee on October 1, 2001, by appointing three directors. As of December 31, 2023, it consisted of:

Name	Position in the Remuneration Committee	Position in the Board
1. GEN. Teerawat Boonyawat	Chairman	Independent Director
2. Mr. Lavaron Sangsnit	Member	Independent Director
3. Mr. Phongsthorn Thavisin	Member	Independent Director

The Company Secretary served as secretary.

*Remarks:*

1. GEN. Teerawat Boonyawat was appointed Chairman with effect from April 11, 2019.
2. Mr. Lavaron Sangsnit was appointed member with effect from December 1, 2023.
3. Mr. Phongsthorn Thavisin was appointed member with effect from December 1, 2023.

### Duties and Responsibilities

1. Define the criteria for remuneration and propose fair, sensible remuneration of directors and specific committees to the Board and the shareholders' meeting for approval.
2. Propose guidelines for assessing performance outcomes and remuneration for the President & CEO to the Board for approval.
3. Acknowledge and recommend organization restructuring and job levels, including performance assessment and remuneration for Senior Executive Vice Presidents.
4. Be directly accountable to the Board, while the Board is accountable for PTT's businesses to all stakeholders.
5. Assess its performance outcomes and report to the Board for acknowledgment and disclose them in the annual report.
6. Disclose its performance in the annual report.
7. Hold at least two meetings a year.
8. Perform other Board-assigned tasks.

In 2023, the Committee held 8 meetings, with most committee members at the time in attendance. The Company Secretary served as secretary.

The Remuneration Committee disclosed its annual performance in the Report of the Remuneration Committee.

## (4) The Corporate Governance and Sustainability Committee

The Board approved the appointment of the Corporate Governance Committee on June 24, 2004, and approved the restructuring to be the Corporate Governance and Sustainability Committee on October 27, 2022, by appointing three independent directors. As of December 31, 2023, it consisted of:

Name	Position in the Corporate Governance and Sustainability Committee	Position in the Board
1. Mr. Jatuporn Buruspat	Chairman	Independent Director
2. Associate Professor Dr. Chayodom Sabhasri	Member	Independent Director
3. Mrs. Phongsaward Neelayodhin	Member	Independent Director

Senior Executive Vice President, Organization Effectiveness and Corporate Governance served as secretary, and Executive Vice President, Corporate Governance, Executive Vice President, Company Secretary and Corporate Relation, and Executive Vice President, Sustainability Management served as assistant secretaries.

### Remarks:

1. Mr. Jatuporn Buruspat was appointed a member of the Corporate Governance Committee with effect from April 9, 2021, and appointed Chairman of the Corporate Governance and Sustainability Committee with effect from April 8, 2022.
2. Associate Professor Dr. Chayodom Sabhasri was appointed a member with effect from December 1, 2023 (replacing Associate Professor Dr. Narongdech Srukhsit who was appointed a member of the Audit Committee effective from December 1, 2023).
3. Mrs. Phongsaward Neelayodhin was appointed a member with effect from December 1, 2023 (replacing Mr. Payong Srivanich who was appointed the Chairman of the Nominating Committee effective from October 19, 2023).

## Duties and Responsibilities

1. Corporate Governance, operational risk and internal control, and compliance (GRC), and anti-fraud and corruption
  - Formulate objectives, targets, strategies, and management framework, and assign policy and operational guidelines in line with PTT's strategies and targets as well as laws, regulations, and national and international practices, with annual review required.
  - Provide advice and recommendations to the Board and management on matters dealing with PTT's corporate governance, operational risk management and internal control, and compliance (GRC), and anti-fraud and corruption according to the good corporate governance principles, for the formulation of the organization's policies and guidelines in compliance with relevant laws, regulations, criteria, standard, national and international practices.
  - Establish the policy and define the scope of guidelines for the supervision, support, and monitoring of PTT's whistleblowing mechanism dealing with fraud and corruption, and non-compliance with laws and corporate regulations.
  - Supervise and monitor the implementation of PTT's corporate governance, operational risk management and internal control, and compliance (GRC), and anti-fraud and corruption, as well as whistleblowing and non-compliance cases, and report the outcome to the Board.

## 2. Sustainability Management (SM)

- Formulate objectives, targets, policies, master plans, strategies, guidelines, and sustainability management plans based on Environmental, Social, and Governance (ESG) to be in line with PTT's strategies and targets, including standards, national and international practices, and require annual reviews.
  - Formulate objectives, targets, strategies, and management framework on Corporate Social Responsibility (CSR) and assign policy and operational guidelines in line with PTT's strategies and targets as well as international practices, with an annual review required.
  - Be a role model, advise, and support PTT's operation to comply with PTT's Sustainability Management Policy for target achievement and compatibility with leading companies, as well as support the Board, management, and employees to comply with PTT's Sustainability Management Manual.
  - Supervise and monitor the implementation of PTT's Sustainability Management and Corporate Social Responsibility (CSR), and report the outcome to the Board.
3. Establish the policy of allowing minority shareholders to nominate directors and propose the Annual General Meeting's agenda items.
  4. Advise and provide consultation to the Governance, Risk and Compliance Management Committee (GRCMC).
  5. Perform other Board-assigned tasks.
  6. Hold at least one meeting each quarter.

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In 2023, the Committee held 4 meetings with all committee members at the time in attendance. The Senior Executive Vice President, Organization Effectiveness and Corporate Governance served as secretary.

The Corporate Governance and Sustainability Committee disclosed its annual performance in the Report of the Corporate Governance and Sustainability Committee.

## (5) The Enterprise Risk Management Committee

The Board approved the appointment of the Enterprise Risk Management Committee (ERMC) on October 25, 2013, by appointing at least three directors, and at least one of whom must be an independent director. As of December 31, 2023, it consisted of:

Name	Position in the Enterprise Risk Management Committee	Position in the Board
1. Mr. Chansin Treenuchagron	Member	Independent Director
2. Associate Professor Dr. Chayodom Sabhasri	Member	Independent Director

Senior Executive Vice President, Corporate Strategy and Sustainability tasked as Chief Risk Officer (CRO) and Chief Stakeholder Officer (CSO) served as secretary.

*Remarks:*

1. Mr. Chansin Treenuchagron was appointed member with effect from December 1, 2023.
2. Associate Professor Dr. Chayodom Sabhasri was appointed member with effect from December 15, 2023.
3. Mr. Chatchai Phromlert was resigned from Chairman of the Enterprise Risk Management Committee with effect from December 23, 2023.  
Mrs. Phongsaward Neelayodhin was appointed Chairman of the Enterprise Risk Management Committee effective from February 9, 2024.

## Duties and Responsibilities

1. Define and review PTT's corporate risk management and stakeholder management policies and scopes.
2. Supervise and support corporate risk management and stakeholder management practices in line with strategies and business goals as well as prevailing circumstances.
3. Provide recommendations, monitor, and evaluate risk management and stakeholder management for further implementation of the Corporate Plan and Risk Management Committee (CPRC) (management level).
4. Review risk management outcome reports and provide recommendations on risks, including specifications of control measures or mitigation plans and development of the risk management system to CPRC for continued efficiency.
5. Review reports of corporate stakeholder management outcomes and provide recommendations on relevant plans to extend positive outcomes or minimize/ offset potential impacts on stakeholders, including the development of a stakeholder management system for CPRC to ensure continued efficiency.
6. Support the Chief Risk Officer (CRO) and Chief Stakeholder Officer (CSO) in achieving PTT's corporate risk management and stakeholder management goals.
7. Report risk management and stakeholder management outcomes to the Board at least every quarter. For factors or events with potentially significant impacts on PTT, the Board must be notified immediately.
8. Screen and comment before submitting for the Board's approval contractual items that are complicated businesswise and contain risks potentially affecting PTT or potentially and significantly affecting PTT's stakeholders, as endorsed by PTT Management Committee.
9. Screen and comment on investment agendas:
  - PTT's investment projects and wholly owned companies with investment values exceeding THB 5 billion presented to the Board for approval.
  - PTT's investment projects in companies where it holds less than 100% shares and those not SET-listed, with investment values exceeding THB 5 billion, presented to the Board for approval before PTT's representative votes in the shareholders' meetings or company's board meetings.
  - Investment with risks potentially significantly impacting PTT or its stakeholders, as endorsed by PTT Management Committee.
10. Define and review the corporate innovation policy.
11. Provide recommendations and guidelines for the monitoring and assessment of the long-term and annual innovation management master plan for further implementation.
12. Supervise and promote implementation under the innovation policy and master plan to ensure that the annual operation plan can achieve its goals.
13. Report the results of the implementation outcomes of creative thinking and innovation to the Board for acknowledgment at least every quarter.
14. Define and review the customer and market management framework.
15. Supervise, promote, and support operations under the customer and market management framework to achieve the set goals according to the business direction.
16. Report the performance of customer and market management to the Board for acknowledgment at least every quarter.
17. Hold at least one meeting each quarter.
18. Perform other Board-assigned duties.

The review of the risk management system remains the duty of the Audit Committee and the Office of Corporate Audit.

In 2023, the Committee held 13 meetings with all committee members at the time in attendance. The Senior Executive Vice President, Corporate Strategy and Sustainability served as secretary.

The Enterprise Risk Management Committee disclosed its annual performance in the Report of the Enterprise Risk Management Committee.

## 7.4 Management

### 7.4.1 Management Team Members as of December 31, 2023

(PTT Management Structure as in the organization chart “7.1 Governance Structure”)

Name	Position
1. Mr. Auttapol Rerkpiboon	President & CEO
2. Mr. Wuttikorn Stithit	Chief Operating Officer, Upstream Petroleum and Gas Business Group
3. Mr. Noppadol Pinsupa	Chief Operating Officer, Downstream Petroleum Business Group
4. Dr. Buranin Rattanasombat	Chief New Business and Infrastructure Officer
5. Miss Pannalin Mahawongtikul	Chief Financial Officer
6. Mr. Terdkiat Prommool	Senior Executive Vice President, Corporate Strategy and Sustainability
7. Mr. Chadil Chavanalikhikorn	Senior Executive Vice President, Organization Effectiveness and Corporate Governance
8. Miss Peangpanor Boonklum	Senior Executive Vice President, Office of General Counsel <sup>1/</sup>
9. M.L. Peekthong Thongyai	Senior Executive Vice President, Gas Business Unit
10. Mr. Prasong Intaranongpai	Senior Executive Vice President, Downstream Business Group Alignment
11. Mr. Pongpun Amornvivat <sup>2/</sup>	Senior Executive Vice President, International Trading Business Unit
12. Mr. Cherdchai Boonchoochaay	Senior Executive Vice President, Innovation and New Ventures
13. Mr. Chansak Chuenchom	Senior Executive Vice President, Engineering and Infrastructure
14. Mr. Montri Rawanchaikul	Senior Executive Vice President, seconded to CEO, PTT Exploration and Production Plc.
15. Dr. Kongkrapan Intarajang	Senior Executive Vice President, seconded to President & CEO, PTT Global Chemical Plc.
16. Mr. Bandhit Thamprajamchit <sup>3/</sup>	Senior Executive Vice President, seconded to President & CEO, Thai Oil Plc.
17. Mr. Kris Imsang	Chief Operating Officer, seconded to President & CEO, IRPC Plc.
18. Mr. Worawat Pitayasiri	Senior Executive Vice President, seconded to President & CEO, Global Power Synergy Plc.



Name	Position
19. Mr. Suchat Ramarch	Senior Executive Vice President, seconded to President, PTT Oil and Retail Business Plc.
20. Mrs. Nivadee Jaroensitipun	Executive Vice President, Acting Senior Executive Vice President, Government Relations
21. Mrs. Wanida Boonpiraks <sup>4/</sup>	Executive Vice President, Group Corporate Finance and Strategy
22. Miss Numpetch Supharatanasit <sup>5/</sup>	Executive Vice President, Global Business Services
23. Miss Jaroonsri Wankertphon <sup>6/</sup>	Executive Vice President, Group Accounting and Tax Policy

**Remarks:**

Nos. 1 - 5 are "Management" under SEC's notification.

1/ The position name was changed to Senior Executive Vice President, Office of General Counsel, effective from January 1, 2023.

2/ Appointed on January 1, 2023, replacing Mr. Disathat Panyarachun, who retired early on December 1, 2022.

3/ Appointed on January 1, 2023, replacing Mr. Noppadol Pinsupa assigned as Acting President & CEO, Thai Oil Plc. from October 1, 2022 to December 31, 2022.

4/ Appointed on December 1, 2023, replacing Mrs. Chanamas Sasnanand appointed Executive Vice President seconded to Executive Vice President - Finance and Accounting, Thai Oil Plc.

5/ Appointed on December 1, 2023, replacing Miss Jaroonsri Wankertphon appointed Executive Vice President, Group Accounting and Tax Policy

6/ Appointed on December 1, 2023 as Executive Vice President, Global Business Services, Acting Executive Vice President, Group Accounting and Tax Policy from October 1, 2022 to November 30, 2023.

## Duties and Responsibilities of the President & Chief Executive Officer (President)

Under the Articles of Association, the President is authorized and responsible for managing the Board-assigned and PTT's overall business, which must be strictly and prudently managed with integrity under the Board-approved plans or budget in the best interests of PTT and its shareholders. The President's authority and responsibilities include:

- Operate or manage day-to-day business or both.
- Hire, appoint, remove, transfer, promote, demote, deduct the salaries or wages of, punish and dismiss any employee under the Board's regulations.
- Ensure the preparation and submission of business policies, including operational plan and budget estimation, for the Board's approval, and report the performance outcomes to the Board every three months.
- Ensure implementation of the Board-approved policies, plans, and budgets.

The Board authorizes the President to manage PTT's business under the following scope:

- Manage the overall business under the objectives, Articles of Association, policies, rules and regulations, directives, and resolutions of the Board and/or shareholders' meetings.
- Order, contact, command, implement, and sign juristic acts, agreements, orders, announcements, or correspondence with government agencies, state enterprises, or other parties and engage in any essential and suitable action to facilitate this duty.

- Command all employees, including hiring, appointing, removing, promoting, demoting, deducting the salary or wages of, taking disciplinary action against, or dismissing any employee under the rules, regulations, and directives of the Board. For employees serving as advisers, senior executive vice presidents, or equivalent upward, prior approval of the Board is required. The President is also authorized to specify employment conditions for employees and issue rules for PTT's operations provided that they do not contradict the rules, regulations, and directives of the Board.
- Assign the power of attorney or delegate specific tasks to other persons, or both, provided that the action complies with the document on the power of attorney or rules, regulations, or directives of the Board or PTT, or both.

The authority and duties of the President stated above are invalid for any conflict of interest with PTT in any form resulting from the President's exercise of the authority. In 2023, no such cases have arisen.

## The Management Committee

The PTT Management Committee (PTTMC) was appointed on October 1, 2001, with the mandate of operating PTT's business. As of December 31, 2023, the Committee consisted of 15 members as follows:

Name	Position
1. President & CEO	Chairman
2. Chief Operating Officer, Upstream Petroleum and Gas Business Group	Member
3. Chief Operating Officer, Downstream Petroleum Business Group	Member
4. Chief New Business and Infrastructure Officer	Member
5. Chief Financial Officer	Member
6. Senior Executive Vice President, Gas Business Unit	Member
7. Senior Executive Vice President, International Trading Business Unit	Member
8. Senior Executive Vice President, Downstream Business Group Alignment	Member
9. Senior Executive Vice President, Innovation and New Ventures	Member
10. Senior Executive Vice President, Engineering and Infrastructure	Member
11. Senior Executive Vice President, Organization Effectiveness and Corporate Governance	Member
12. Senior Executive Vice President, Office of General Counsel*	Member
13. Senior Executive Vice President, Government Relations	Member
14. Senior Executive Vice President, Corporate Strategy and Sustainability	Member and Secretary
15. Executive Vice President, Company Secretary and Corporate Relation	Assistant Secretary

Remark:

\* The position name was changed to Senior Executive Vice President, Office of General Counsel, effective from January 1, 2023.

The Management Committee meets at least twice a month or as appropriate. In 2023, there were altogether 48 meetings (43 regular and 5 special meetings).

## Duties and Responsibilities of PTT Management Committee (PTTMC)

Provide advice and recommendations to the President on significant issues regarding corporate strategy and business directions, long-term planning, business performance, investment plans, budgets, and allocation of resources to PTT and its affiliates, and ensure the uniformity of PTT's operations. PTTMC also provides consultation and recommendations to the President & CEO and promotes operation on the following matters:

- Set the vision and key missions for PTT Group.
- Establish directions, strategies, and business targets for PTT Group along with the performance targets of business units and the group as a whole.
- Define a direction for corporate governance monitoring and integration of Governance, Risk, and Compliance of PTT Group.
- Consider the capital allocation structure (budgets and resources) to support future investment and operations of PTT and PTT Group (PTT Group's Capital Allocation Structure).
- Consider the investment management of PTT and PTT Group (PTT Group's Portfolio Management).
- Consider and monitor PTT Group's international investment expansion.
- Establish a policy on human resource management, prepare and develop the Group's management of level 14 up in a systematic, professional way for its future missions in line with the Leadership Affiliation and Alignment Program.
- Screen and provide opinions on standards/ organization management mechanisms/ human resource system, as well as business processes and organizational structures of PTT and PTT Group to be a corporation of sustainability excellence.
- Consider, screen, and define policies and principles for PTT Group Way of Conduct, and ensure desirable direction.
- Prioritize significant matters about the allocation of human and financial resources of PTT and its affiliates.
- Jointly resolve significant conflicts between PTT's upstream and downstream petroleum and new business and infrastructure businesses.

- Follow up on progress and assess the performance of the Group against KPIs (PAs & KPIs).
- Scrutinize risk management in the business operations of the Group.
- Screen meeting agendas before presenting to the Board.
- Prioritize Board decision outcomes to ensure effective implementation.
- Appoint sub-committees or working groups, or both, to assist PTTMC's tasks.
- Perform other work as assigned by the President & CEO.

To efficiently manage PTT Group to drive the strategies and operations to achieve their goals, PTT has divided its committees into three categories, as of December 31, 2023, as follows:

### 1. Strategy Committees

Consider, screen, define strategies/ policy, business directions, and operational plans of PTT/PTT Group in various management aspects, comprising:

- 1.1 PTT Group Management Committee (PTTGMC)
- 1.2 PTT Management Committee (PTTMC) (mentioned above)
- 1.3 Minor PTT Group Management Committee (Minor PTTGMC)
- 1.4 Corporate Plan and Risk Management Committee (CPRC)
- 1.5 Gas Business Strategic Alignment Committee (GBSC)
- 1.6 Downstream Petroleum Business Group Strategic Alignment Committee (DBSC)
- 1.7 Trading Business Strategic Alignment Committee (TBSC)
- 1.8 Upstream Management Committee (UMC)

## 2. PTT Group Alignment Committees

Provide advice/ suggestions, drive/ decide when cooperation between business units or PTT Group is required to enhance synergy and good collaboration, consisting of:

- 2.1 Upstream & Gas Business Group Alignment & Coordination Management Committee (UAC)
- 2.2 Downstream Business Group Alignment & Coordination Committee (DAC)
- 2.3 New Business and Infrastructure Group Alignment & Coordination Management Committee (NBIAC)
- 2.4 Finance & Accounting Group Alignment & Coordination Management Committee (FAAC)
- 2.5 Human Resources Group Alignment & Coordination Management Committee (RAC)
- 2.6 PTT Group Core Values & KM Alignment Committee
- 2.7 PTT Group Operational Excellence Steering Committee (OpEx SteerCo.)
- 2.8 PTT Group Internal Audit Management Committee
- 2.9 PTT Group Corporate Social Responsibility Steering Committee, Rayong province
- 2.10 LNG Business Cooperation Committee (LBCC)
- 2.11 PTT Group Digital Steering Committee
- 2.12 PTT Group Technology Committee (PTTGTC)
- 2.13 Procurement Strategic Alignment Committee (PSAC)
- 2.14 Properties Acquisition and Utilization Committee (PAC)

- 2.15 International Business Development Committee (IBDC)
- 2.16 PTT Group Corporate Governance Committee
- 2.17 PTT Group ONE Project Committee
- 2.18 PTT Group Sustainability Management Committee (GSMC)
- 2.19 PTT Group Corporate Reputation and Social Responsibility Committee (PTT Group CSR)
- 2.20 Petrochemical and Refining Integrated Synergy Management (PRISM Committee)
- 2.21 Business Association Strategic Collaboration (BASC)

## 3. Corporate Management Committees

Responsible for overseeing, follow-up on the progress of operations, approval/ screening/ giving opinions/ advice/ suggestions in various aspects of organization management, comprising:

- 3.1 Governance, Risk, and Compliance Management Committee (GRCMC)
- 3.2 PTT Procurement Oversight Committee (KorTorJor)
- 3.3 PTT Credit Committee
- 3.4 Upstream Petroleum and Gas Credit Committee
- 3.5 Trading Credit Committee (TCC)
- 3.6 Strategic Investment Management Committee (SIMC)
- 3.7 Upstream Petroleum and Natural Gas Business Group (USIM)
- 3.8 Support Function Budgeting Committee (SFBC)
- 3.9 Non-Life Insurance Fund Management Committee
- 3.10 PTT Innovation Management Committee (PTT IMC)

- 3.11 Information Security Management System Committee (ISMSC)
- 3.12 PTT Idea to Commercialization Gate Committee (PTT I2C Gate Committee)
- 3.13 Thailand Energy Academy Management Committee
- 3.14 Thailand Energy Academy Board
- 3.15 PTT Customer Excellence Committee (PTT CEC)
- 3.16 Social Enterprise Committee
- 3.17 Structure, Job Weight, and Manpower Committee (SJMC)
- 3.18 Human Resources Management Committee (HRMC)
- 3.19 Corporate Human Resources Committee (HRC)
- 3.20 Screening Committee for the Request for the Royal Bestowment of the Most Exalted Order of the White Elephant and the Most Noble Order of the Crown of Thailand
- 3.21 Potential Pool and Scholarship Management Committee
- 3.22 Employee Welfare Fund Committee
- 3.23 PTT Group Committee on International Sanctions against Myanmar
- 3.24 Vendor Selection Committee
- 3.25 Trading Risk Management Committee (TRMC)
- 3.26 Gas Business Unit Hedging Committee (Gas HC)
- 3.27 Powering Digital Organization With ERP Project (POWER)

## Succession Plan

As PTT is a state enterprise, the President must be nominated and appointed according to the Standard Qualifications of Directors and State Enterprise Officer Act. Candidates must meet the qualifications outlined in Section 8 Ter and then go through the recruitment process / outlined in Section 8 Quarter, in which the PTT Board appoints a nominating committee of five people who meet the qualifications and do not have any prohibited characteristics under the law. Applicants must be knowledgeable, have competent and relevant experience for PTT executives, have no prohibited characteristics under the law, are not positioned as a PTT director, except for executives who are directors by position, and are under the age of 58 on the date of application submission. When the Nominating Committee selects a suitable candidate, he/she will be recommended for appointment. This must be completed within one year of the former executive's departure from office. The employment contract has a term of no more than four years. If the Board of Directors decides to hire the former executive after the contract period has expired, no new recruitment process is required; however, the former executive may not be hired for more than two consecutive terms.

PTT has been grooming top management to become qualified candidates to replace the top management due to retire in the next 3 - 5 years. In 2007, PTT set up a Group Leader Development Program (GLDP) to develop a succession plan for potential leaders to assume higher positions in PTT Group that become vacant, namely:

- President & CEO
- Senior Executive Vice President (SEVP) or equivalent
- Executive Vice President (EVP) or equivalent
- Vice President (VP) or equivalent.

Management mechanisms are as follows:

- PTT Group Management Committee (PTTGMC)
- Minor PTT Group Management Committee (Minor PTTGMC)
- Human Resources Group Alignment & Coordination Management Committee: HRAC)
- Human Resources Management Committee (HRMC)

## Performance in 2023

- Selection of SEVP pool members from potential EVPs (PTT Group)
  - 51 pool members (as of December 31, 2023)
  - 48 pool members already promoted (2008 - 2023)
- Selection of EVP pool members from potential VPs (PTT Group)
  - 108 pool members (as of December 31, 2023)
  - 115 pool members already promoted (2009 - 2023)
- Selection of VP pool members from PTT potential division managers (PTT)
  - 160 pool members (as of December 31, 2023)
  - 303 pool members already promoted (2009 - 2023)

## Labor Disputes

No reports of labor disputes have been received over the past three years.

## 7.4.2 Management's Remuneration Policy

### Management's Remuneration

Management's remuneration is set under the policy and regulations specified by the Board, aligning with the Company's Performance Agreement (PA) stipulated by the Ministry of Finance. The President & CEO and all executives together define Key Performance Indicators (KPIs) on annual performance targets.

The Remuneration Committee is responsible for considering the remuneration of the President & CEO to reflect his performance management, which is also in line with the principles and standards of other industrial peers, with clear criteria, transparency, and fairness. As a result, the increasing of annual salary and bonus payment would align with the results of KPIs, the short-term and long-term performance of PTT. Overall, it should reflect his vision and long-term value-added and capacity enhancement for the Company. The principles and the appropriate remuneration must be presented to the Board for approval. To this end, key factors to evaluate the performance of the President & CEO were (1) PTT's performance under the State Enterprise Assessment Model (SE-AM), (2) the performance based on the vision presented to the Board, (3) management capability and leadership, and (4) 360° assessment.

According to the definition of "Management" defined by the Securities and Exchange Commission (SEC), 5 members included the President & CEO, Chief Operating Officer, Upstream Petroleum and Gas Business Group; Chief Operating Officer, Downstream Petroleum Business Group; Chief New Business and Infrastructure Officer; and Chief Financial Officer. The remuneration paid to management (excluding those seconded to PTT affiliates and those from PTT affiliates seconded to PTT) is detailed below:



## Total Remuneration Paid to President &amp; CEO in 2022 - 2023

Unit: THB

Remuneration	2022	2023
	Amount	Amount
Total Remuneration	32,910,960	34,734,240
Bonus	10,532,951	10,897,049
<b>Total</b>	<b>43,443,911</b>	<b>45,631,289</b>

Remark:

The remuneration of the President & CEO included an allowance for additionally assigned tasks, namely the positions of Chairman or Director (or both) of PTT's subsidiaries. The President & CEO has duly complied with the terms of the employment contract as president.

## Total Remuneration Paid to 4 Top Management according to SEC's Definition (2022 - 2023)

Unit: THB

Remuneration	2022		2023	
	Management (under SEC's Definition)		Management (under SEC's Definition)	
	Person	Amount	Person	Amount
Salary	4	35,395,740	4	34,618,560
Bonus	4	17,685,657	4	17,378,021
<b>Total</b>		<b>53,081,397</b>		<b>51,996,581</b>

## Remuneration Paid to Management (5 persons) from 2020 - 2023

Unit: THB

Remuneration	2020		2021		2022		2023	
	Person	Amount	Person	Amount	Person	Amount	Person	Amount
Salary	5	62,396,185	5	64,611,840	5	68,306,700	5	69,352,800
Bonus	5	22,296,874	5	26,487,086	5	28,218,608	5	28,275,070
<b>Total</b>		<b>84,693,059</b>		<b>91,098,926</b>		<b>96,525,308</b>		<b>97,627,870</b>

## Remuneration Paid to Top 5 Management according to SEC's Definition as Chairman and Directors of PTT Group and Subsidiaries, 2022 - 2023

Unit: THB

Remuneration	2022		2023	
	Person	Amount	Person	Amount
Meeting Allowance and Monthly Allowance	5	15,373,229.17	5	19,436,358.13
Bonus	5	25,769,554.92	5	20,152,517.70
<b>Total</b>		<b>41,142,784.09</b>		<b>39,588,875.83</b>

### Remark:

The remuneration paid to top 5 Management according to SEC's Definition as Chairman and Directors of PTT Group and Subsidiaries. In addition, the remuneration of the President & CEO has complied with the employment term contract as president.

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## Provident Fund Contribution to Management from 2020 - 2023

Unit: THB

Remuneration	2020		2021		2022		2023	
	Person	Amount	Person	Amount	Person	Amount	Person	Amount
Provident Fund Contributions	4	5,460,684.00	4	4,584,004.80	4	4,872,019.50	4	5,136,311.20

Additional information on the management:

Records have shown no violation of the law within the past 10 years regarding:

1. Being sentenced for criminal charges except for violations of traffic laws, petty charges, or similar charges,
2. Being sentenced to bankruptcy or having assets controlled,
3. Serving as an executive or an authority in a company or partnership sentenced to bankruptcy or whose assets are controlled.

## 7.5 Employees

Employees are essential to corporate operations, and their quality is a key to its business success. PTT, therefore, set policies to underline the development of HR management systems compatible with technological advancement and international standards. This is not only to promote both conscientious merit and business competence among its employees but also to encourage our employees to actively take part in public service. It is indeed through employees that PTT focuses on its development into a sustainable organization to elevate competitiveness and respond to internal changes of a corporation in pursuit of national energy security.

### Headcount and Remuneration

The employee headcount (including those seconded to PTT's affiliates) as of December 31, 2023, stood at 3,574 (Male 2,202 and Female 1,372). PTT has continued to set its manpower plans in line with its operations under economic uncertainty. The focus is on allocating resources where significant value supplementation is likely or where continuing investment is needed.

The business-group headcounts from 2020 to 2023 were as follows:

Unit: person

Business Unit	2020		2021		2022		2023	
	PTT	PTT Group	PTT	PTT Group	PTT	PTT Group	PTT	PTT Group
1. Gas	1,440	-	1,480	-	1,471	-	1,487	-
2. Petrochemical and Refining	141	-	112	-	121	-	130	-
3. New Business and Infrastructure	429	-	462	-	478	-	476	-
4. Support staff/ secondees to PTT affiliates	1,117 <sup>1/</sup>	379 <sup>2/</sup>	1,104 <sup>1/</sup>	393 <sup>2/</sup>	1,083 <sup>1/</sup>	387 <sup>2/</sup>	1,100 <sup>1/</sup>	381 <sup>2/</sup>
5. Subsidiaries and joint ventures	-	29,042	-	29,372	-	30,241	-	30,391
<b>Total</b>	<b>3,127</b>	<b>29,421</b>	<b>3,158</b>	<b>29,765</b>	<b>3,153</b>	<b>30,628</b>	<b>3,193</b>	<b>30,772</b>

Remarks:

1/ Excluding PTT secondment

2/ PTT secondment

## Remuneration for Personnel (excluding the President and management) from 2020 - 2023

Unit: THB

Remuneration	2020	2021	2022	2023
Salary	3,966,160,901.90	4,122,373,594.88	4,329,636,122.70	4,549,904,844.95
Bonus	1,628,293,859.46	2,078,579,310.45	2,163,016,469.28	2,255,856,193.86
Provident Fund Contributions	477,524,458.33	490,980,568.77	517,863,032.09	548,488,317.14
Others (if any)	2,077,146,865.96	2,593,728,683.64	2,982,723,913.24	3,084,264,816.02
<b>Total</b>	<b>8,149,126,085.65</b>	<b>9,285,662,157.74</b>	<b>9,993,239,537.31</b>	<b>10,438,514,171.97</b>

PTT sets the remuneration of employees based on the Company's short-term and long-term performance through Performance Management, a continuous and systematic process to drive the Company's performance to its achievement and in line with the Performance Agreement (PA) which is also linked to the corporate targets, business unit targets, and individual targets in the same direction, as well as PTT's strategic direction, to drive the operating results according to business plan targets.

PTT employees' annual salary increase is considered according to their performance. To this end, KPIs were applied to manage employee performance evaluation, which would be accordingly reflected in their salary increases and benefits. Employee KPIs could be divided into 2 key types: corporate KPIs and business/ operational/ personal (or functional KPIs). Individual KPIs must align with the four aspects of the balanced scorecard, namely finance, customers, internal process, and learning and development. To achieve company's targets sustainably, PTT has added two more important aspects: products and personnel, to align with current performance results (short-term) and long-term business plans. Besides, PTT set a variable bonus aligned with the KPIs of PTT executives and employees of the management group to create motivation in achieving the annual targets.

## Provident Fund

PTT has established and registered a provident fund called the "Provident Fund of PTT Public Company Limited and Affiliates" (the Fund). Employees of PTT and its joint ventures are eligible to participate in the scheme, and currently, 3,476 employees out of the total 3,513 employees of PTT, or 98.95%, have joined the Fund, managed by Krungthai Asset Management Plc. and TISCO Asset Management Co., Ltd. The two companies disclosed related information in compliance with the Investment Governance Code (I Code).

The Fund engaged in investment with due regard for Environmental, Social, and Governance (ESG) factors and jointly with the companies set a policy and assigned them to invest in entities with committed responsibility for all stakeholders: shareholders, employees, customers, business partners, society, and the world. PTT has defined CG criteria and applied its decision-making process to ensure that the Fund makes the right investment in transparent businesses. Moreover, the Investment Committee required the fund managers to report PTT's current assets that are currently invested and compare them with the lists of SETTHSI index (Thailand Sustainability Investment) of the Securities Exchange of Thailand to learn of the ratio of its assets and the change whenever they submit investment performance.

## Other Remunerations

PTT has instituted employee welfare and other remuneration programs apart from salary, bonus, and provident fund contributions for management and all employees. This is to keep balance with economic conditions, the cost of living, and other standards of peer companies as well as PTT's current and future performance, achieved through constant revision and improvement. In addition, PTT has adopted a Flexible Benefits scheme, in response to the needs of individual employees. Each employee can choose to apply for flexible benefits by declaring his or her intention once a year under the period, conditions, and details prescribed by PTT, provided that such customized flexible benefits are not against the law, tradition, and good morals. However, mandatory employee benefits vital to the well-being of employees and in performing his or her duties will not be included as a choice.

## HR System Development and Improvement

To become a sustainable organization, PTT continuously improves its HR management processes and mechanisms to ensure higher efficiency and realize the full potential of its employees, which will lead PTT towards its goals. PTT employees can fully demonstrate their competence, advance in their careers, and keep growing together with PTT.

PTT has focused on participation across the board in designing business plans to suit its direction and targets since this will efficiently align all its components. To this end, it has instituted a process in which senior PTT Group management along with support staff jointly define a vision and directions before propagating the agreed items for other units to apply in turning business strategies into business plans and budget plans in broad alignment. All PTT employees define individual objectives and KPIs, cascaded through the ranks from the corporate, department, to an individual level. Such objectives and indicators defined by employees then serve as a scope for performance and performance assessment standards to reflect individual performance.

PTT has applied Career Management guidelines to prepare and promote management and all employees with skills and knowledge to fit the PTT-designed model in coping with its missions and creating value for the organization. PTT has applied this model to the management and development of all its employees and, taking into account business direction to enhance corporate competitiveness, has divided them into two professional groups (senior management and employees), with clear, efficient interconnected systems for recruitment, assessment, and individual development planning (IDP) in place.

- Executives (equivalent to Vice Presidents upwards) undergoes PTT Group Leadership Development, which sustains the needs of senior executives in both quantity and quality. Management of this group is supervised by a panel of CEOs in PTT Group called the “PTT Group Management Committee (PTTGMC)”, responsible for defining directions and policies for development plans for senior management. Another team, called “Human Resources Group Alignment & Coordination Management Committee (HRAC)”, provides counseling and recommendations to the Senior Executive Vice President, Organization Effectiveness & Corporate Governance, to enhance decision-making on key coordination issues regarding human resource development strategies and directions of the PTT Group to align with those of PTT.
  - Employees (division manager or equivalent and below): This internal management is specific to PTT or a PTT affiliate in developing employees to suit future operational needs. For PTT, Corporate Human Resources Committee (HRC) was established to promote and monitor career development planning to ensure goal achievement. Career Counseling Teams (CCT) for 16 professional groups take charge of defining and developing individuals, providing counseling and guidance, and monitoring and following up on implementation. An individual development plan is a tool for employees to set their goals and develop their career paths, thus adding value to their work in line with PTT’s directions and goals. Such employee development can be undertaken through proper training via success profiles or job rotation in line with their career paths. This would enable all employees to develop skills in their new positions, as would suitable appointments and promotions in line with their responsibilities and potential. With this development framework, employees will be qualified to assume top management positions in PTT Group and enable PTT to achieve its goals.
  - To ensure that the policy defined and HR management align with and support the business directions of PTT Group, the Human Resources Management Committee HRMC), appointed to define and propose policies and make decisions on HR management, provide recommendations on the preparedness and development of PTT’s current as well as future executives and employees, screen and give recommendations on the corporate structure and manpower, and approve or screen matters on HR management under the authority assigned.
- PTT continues to focus on career and competency management by preparing and reviewing the success profile and career path of each position and pushing for the evaluation of the success profile in line with the performance cycle, where supervisors must discuss with employees (two-way) their responsibilities at the beginning of the year and follow up and evaluate the results in the half and end of the year to follow up and/or prepare an Individual Development Plan (IDP) for employees.
- PTT Group encourages and supports employees’ learning through the PTT Leadership and Learning Institute (PLLI) with goals of establishing standards and developing employee capability through the management and implementation of compulsory courses for all PTT employees in the same direction.
- PLLI has continuously developed management and employees of PTT and PTT Group to be both “good and talented” to support organization growth and develop personnel capabilities. Hybrid learning is introduced and designed to suit target groups by mixing formats and learning techniques including classroom, virtual classroom, online learning, field trips, etc. for the highest efficiency in learning, which can be adjusted in line with changing circumstances. Experiential Learning is developed

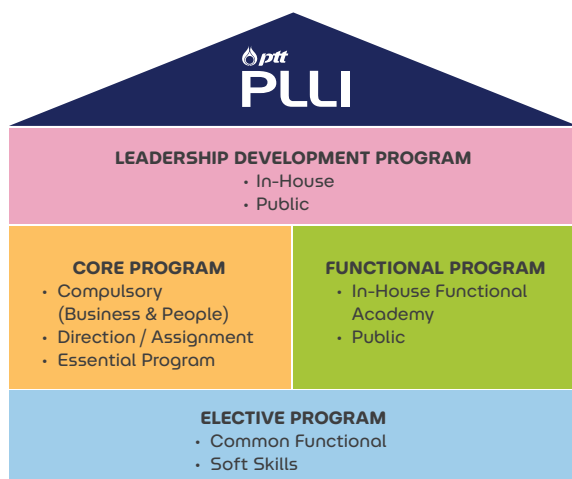


for employee learning through role play, simulation, board games, etc. for enjoyable and interesting learning, with opportunities for actual practices, leading to more knowledge and understanding of business operations. It also develops digital learning materials in many different formats on the Learning Management System (LMS) to meet employees' learning and needs in various generations, thereby responding to learning Anywhere, Anytime, and Lifelong learning, such as e-Learning about organizational knowledge, rules, regulations, and corporate policies. Online learning and learning resources selected by PTT from outside cover business, technology, soft skills, lifestyle, and more than 300 courses. PTT E-Library (E-Book, E-Magazine, Magazine, Book) is for employees to search, reserve, borrow, and return books, and magazines, as well as read books online anywhere, anytime. There are also podcasts, and online audio programs, as another option for employee self-development with a variety of content both within and outside the organization. Casual Learning, a new learning style, is additionally adopted as a short-time learning, fun and easy to understand for employees as well.

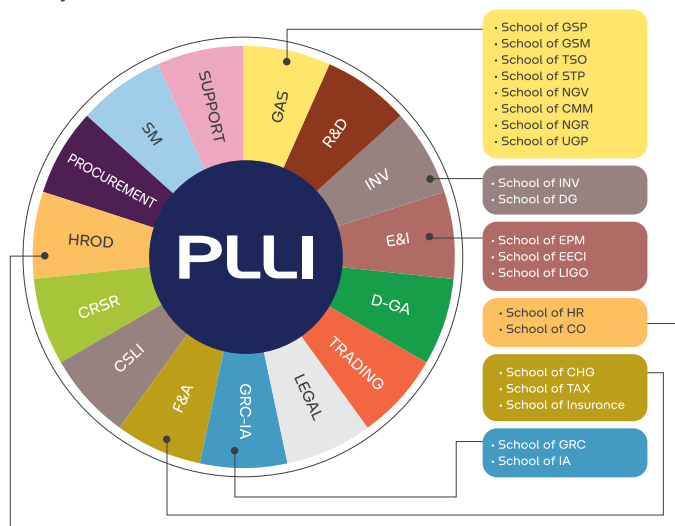
In addition, a Feature Playlist has been developed in the LMS system where courses are grouped into categories, easier to find. This allows supervisors or employees to select the group of courses of interest based on the New Core Competencies and various interesting skill topics, as well as having a customized playlist according to the needs of each department to help promote the IDP of supervisors and subordinates.

The curriculum structure of PLLI covers employee development at all levels from new employees to senior executives. The courses are divided into 3 main groups:

- 1. Leadership Development Program** is designed to prepare and accelerate the development of high-potential management team members for skills, knowledge, and ability in people and business management through learning, knowledge-sharing, and experience-sharing with world-class instructors, including learning and experience-sharing with top management both internal and external. Participants of this program are potential management team members selected under the given criteria.
- 2. Core/ Functional Program** (a group of compulsory courses for employees at all levels) is the core curriculum to develop the potential of all employees according to the work level group or career, divided into Compulsory, Direction/ Assignment, Essential Program, and Functional Program.
- 3. Elective Program** (additional elective course as needed) is a curriculum to develop employees' potential according to individual needs by mutual consideration of supervisors and employees in choosing development courses as per employees' needs.



## Functional Program by Academies



In addition, PTT also pays attention to environmental training courses for employees working in related jobs and interested parties. In 2023, environmental training courses were organized as follows:

Course	Batch	Participants	Training Format
Corporate Sustainability Assessment and Disclosure	1	29	Classroom
Advanced Water Treatment	1	27	Classroom
Carbon Management : Pathways to Net Zero Emissions	1	124	Classroom
Biodiversity	1	34	Classroom
Social & Environmental Benefits Valuation	1	10	Classroom
Biofuel Technology for Net Zero	1	42	Classroom
Circular Economy : ISCC	1	27	Classroom
Environmental, Social and Governance (ESG)	1	37	MS Teams
Integrated Management System Internal Auditor (ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018) (School of NGV)	1	33	Classroom + Workshop
Premium T-VER	1	142	MS Teams

In addition, PTT continues to organize the Young People to Global (YP2G) program, the latest of which is the 9<sup>th</sup> batch (Batch 9), to develop employees to be ready for difficult and challenging tasks, as well as new important projects according to PTT's strategy. These YP2G employees will be assigned challenging responsibilities through the following 3 core functions: Strategy & Planning, Business Development, and Commercial & Marketing. These tasks will enable them to learn and increase experience in business acumen through on-the-job training (OJT).

## Summary of Human Resource Development

Unit: Hours per person per year

Training hours/person/year	2019	2020	2021	2022	2023
Employee	78.88	30.26	37.40	42.78	45.87
Management	89.15	45.93	34.25	64.93	49.57

Unit: THB per person per year

Expense/person/year	2019	2020	2021	2022	2023
Employee & Management	53,143.21	13,471.73	13,485.45	29,502.06	30,513.87

## Fostering Relationship between Management and Staff in Search of Common Goal

Communication between management and staff comes in various forms. The President & CEO constantly holds regular meetings with employees, allowing them to learn the Company's operation directions, obstacles, or emerging impacts during the development and efficiency enhancement each year. The focus is primarily on employees' participation and views.

Annual employee satisfaction and engagement survey is implemented for solution and improvement of satisfaction and engagement. PTT believes that proper communication and information exchange among staff and management will foster smooth relations and cooperation, thus driving the organization towards goal achievement. In addition, PTT surveys the basic human resource needs of management and staff through various committees such as the Human Resource Management Committee, PTT Labor Relations Committee, and Career Path Management Committee. An annual survey of staff opinions is undertaken by an external human resource management expert advisor. There was also cooperation with PTT Group to jointly develop a database of management as well as development plans for senior management.

The PTT Labor Relations Committee was established under the State Enterprise Labor Relations Act B.E. 2543 (2000). The committee consists of 19 members with the President (as PTT director) as Chairman, nine members representing employer, and nine members representing employees. The committee considers issues about employment conditions, employees' rights, and benefits, as well as employee complaints. The committee meets monthly to monitor the progress of related issues with prudence.

Besides the monthly Labor Relations Committee meetings, PTT holds meetings of a working group on the study and development of employees' welfare and other benefits, appointed with the resolution of the Labor Relations Committee. Members comprised representatives from the employer and employees to jointly search and analyze information on employees' welfare and benefits of PTT Group in comparison with those of other leading businesses for use in the improvement of PTT's regular and probationary employees.

PTT also holds Joint Consultation Committee (JCC) meetings between its management team and staff of regional offices nationwide, e.g., Rayong Gas Separation Plant, Khanom Gas Separation Plant in Nakhon Si Thammarat, and Chon Buri Operations Center. The JCC comprising the top management of certain establishments as chairman and employee representatives would jointly consider every issue of proposals and complaints of both management and employees for employees' good standard of living in line with laws and PTT's regulations.

## PTT Group Core Values

PTT Group defined its core values as SPIRIT, which is significant in molding PTT management and employees to command uniform work behavior. The SPIRIT (S: Synergy, P: Performance Excellence, I: Innovation, R: Responsibility for Society, I: Integrity & Ethics, and T: Trust & Respect) is the fundamental principle that mold the executives and employees of PTT Group to have indentity of smart, conscientious, and responsible for the company and the outside society alike.

Core values align with the corporate vision and future challenges by focusing on PTT Group employees as the driving force for Thailand to move through the transformation into a new future through SPIRIT values, namely:



- **Synergy: Synchronize through partnership** by focusing on employee knowledge sharing and instigating collaborative power both inside and outside the company.
- **Performance Excellence: Agile for excellence** by focusing on employees' readiness to quickly adapt to changes, and work hard to accomplish beyond-expectation results to create and deliver the best value to stakeholders.
- **Innovation: Invent future growth through innovation** by focusing on employees to have a positive attitude. Seek opportunities for new ideas and think creatively. Able to apply new digital technologies to increase work efficiency along with continuous learning and self-development.
- **Responsibility for Society: Reach sustainability with green economy and social care** by focusing on employees working with awareness by taking into account the impact on stakeholders for sustainable development, develop an environmentally conscious business, and have a volunteer spirit to do for the public, community, society, and the nation.
- **Integrity & Ethics: Embed integrity & ethics to enhance good corporate citizenship** by focusing on employees' ability to perform properly, transparently, and as excellent employees of the company, with honesty and ethics at the forefront.
- **Trust & Respect: Tune-up trust through empowerment and respect** by focusing on employees working together with trust and confidence, open to opportunities and trust in others' potential capabilities, and open to and respect others' diversity.

## 7.6 Other Key Information

### Company Secretary

To comply with the corporate governance principles of listed companies under the category of directors' responsibilities and the terms of the Securities and Exchange Act, the Board appointed a Company Secretary to provide the Board with legal advice and remind them of assorted regulations that they need to know and comply with; hold meetings; supervise Board activities to enable them to perform efficiently and effectively in the best interests of PTT; prepare and maintain key documents, including directors' registration, notice Board meeting and minutes, annual reports; issue shareholders' meeting notices and minutes; and keep reports on vested interests reported by directors or management.

The Board has appointed Company Secretary since 2008. Since October 1, 2020, Mr. Nisit Phongvutirapant has served as the Company Secretary. He is knowledgeable, capable, and experienced in company secretary work. He attended training courses that are important to his duties and is also a lecturer on matters related to his duties.

## Company Secretary



### Mr. Nisit Phongvutirapant

Company Secretary  
(October 1, 2020 - present)

**Age: 53**

#### Shareholding:

- 0.000003%

#### Education:

- Bachelor of Economics (Development Economics), Bangkok University

#### Company Secretary Training Record:

- Director Certification Program (DCP195/2014), Company Secretary Program (CSP 113/2020), Thai Institute of Directors Association (IOD)
- Advanced Management Program II (Class 1/2018), PTT Group Leadership and Learning Institute

- Leadership Development Program 1 (2013), PTT Group Leadership and Learning Institute (PLLI)
- Bain Academy Asia Pacific 2019 Program, Bain & Company SE Asia, Inc., Singapore
- Advanced Management Program (AMP) 3 - Business & People Management, PTT Group Leadership and Learning Institute (PLLI)

#### Professional Experience (past five years):

- October 1, 2020 - Present  
Senior Executive Vice President,  
PTT Oil and Retail Business Plc. (OR),  
seconded to Executive Vice President,  
Company Secretary and Corporate Relation, PTT Plc.
- June 1 - September 30, 2020  
Senior Executive Vice President, Corporate Strategy,  
Innovation and Sustainability,  
PTT Oil and Retail Business Plc. (OR)
- February 1 - May 31, 2020  
Vice President, Strategy and Portfolio Management,  
PTT Oil and Retail Business Plc. (OR)
- May 1, 2019 - January 31, 2020  
Vice President, OR, seconded to  
PTT Oil Myanmar Co., Ltd.
- July 1, 2018 - April 30, 2019  
Vice President, International Business Development  
and Planning, PTT Oil and Retail Business Plc. (OR)
- January 1, 2017 - June 30, 2018  
Vice President, International Business Development  
and Planning, PTT Public Company Limited

#### Related Key Positions Held:

- -None-

#### Family Relationship among Directors and Executives:

- -None-

#### Important Special Activities:

- Director, Executive Committee,  
Vidyasirimedhi Institute of Science and Technology
- Vice Chairman and Treasurer,  
Power of Innovation Foundation
- Director, Thai Company Secretary Club

## The Person Supervising Accounting

The Executive Vice President, Global Business Services, PTT, is assigned by position to be directly responsible for PTT's accounting. Miss Numpetch Supharatanasit has been holding the position since December 1, 2023, and is directly in charge of accounting management. She is qualified as an accountant under the criteria set by the Department of Business Development. **More profile details appear in the Executive Profile in Attachment 1.**

## Head of the Office of Corporate Audit

The Executive Vice President, Office of Corporate Audit, PTT, is by position assigned as Head of the Corporate Audit. Mr. Chayagorn Leangruenrom is the present Head of the Office of Corporate Audit. More profile details appear in section 2 **"9. Internal Control and Connected Transactions"** and details of the Head of the Office of Corporate Audit also appear in Attachment 3.

## Head of Compliance

The Senior Executive Vice President, Organization Effectiveness and Corporate Governance, PTT, is by position assigned as Head of Compliance. Mr. Chadil Chavanalikhorn was appointed to the position and is currently responsible for PTT's compliance. More details about the Compliance Unit are presented in Part 2 **"9. Internal Control and Connected Transactions"** and profile details of the Head of Compliance also appear in Attachment 1.

## Head of Investor Relations and Contact Information

Mr. Tanapon Prapapan, Investor Relations, was appointed Vice President, Investor Relations Department with effect from April 16, 2021, and can be contacted at Investor Relations, PTT, Tel.: 0-2537-3518-9, E-mail: ptt-ir@pttplc.com, or PTT Website (www.pttplc.com).

## Audit Fee

PTT and its affiliates paid a total of THB 337,686,464 (Three Hundred Thirty Seven Million and Six Hundred Eighty Six Thousand and Four Hundred Sixty Four) in audit fees to the office of the external auditors for the previous fiscal year. They also paid THB 76,360,507 (Seventy Six Million and Three Hundred Sixty Thousand and Five Hundred Seven) for other services (non-audit fees) such as consulting services for M&A in the areas of Financial Due Diligence, tax and accounting, tax service fees and other certification fees in the previous fiscal year.

## 8. Corporate Governance Milestones



### 8.1 Performance of the Board of Directors in 2023

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

##### (1) Independent Directors

The Board of Directors, at Meeting No. 1/2013 on January 17, 2013, approved the revised definition of independence of directors, proposed by the Corporate Governance Committee which was more stringent than the criteria set by the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET), and defined their roles, duties, and responsibilities. PTT published a handbook on their execution of duties and responsibilities, signed by the Chairman, on January 21, 2013. Board meeting No. 3/2021 dated March 18, 2021, approved the revision of roles and responsibilities of PTT's independent directors to be more updated and in line with regulation criteria of various agencies, which was signed by the Chairman of the Board on April 1, 2021. Essential elements of the revised handbook are:



## Qualifications of Independent Directors

- (1) Must not hold more than 0.5% of the total voting shares of PTT, its subsidiaries, associated and related companies of which PTT's major shareholders or PTT's controlling person, including the shares held by persons related to such an independent director.
- (2) Must not be or have not been involved as the management, employee, staff member, or advisor who earns a regular salary, or authorized controlling person of PTT, its subsidiaries, associated companies, related companies, or a juristic person of which PTT's major shareholders or PTT's controlling person during the period of two preceding years before the appointment. This forbidden characteristic excludes former government officials or consultants of the government agency, which is PTT's majority shareholder or has a controlling interest in PTT.
- (3) Must not have blood relationship or relationship through legal registration as parents, spouses, siblings, and children, including the spouse of the children, of any other directors, management, major shareholders, authorized controlling person, or any person to be nominated as a director, management, or authorized controlling person of PTT or its subsidiaries.
- (4) Must never have engaged or not engage in a business relationship with PTT, its parent company, subsidiaries, associated or related companies, major shareholders, or controlling person in a way that could obstruct his or her exercise of independent discretion; including must never have been or be a significant shareholder or controlling person of parties with a business relationship with PTT, its parent company, subsidiaries, associated or related companies, major shareholders, or controlling person except where such an association has ended at least two years before his or her appointment as an independent director.

The business relationship in the preceding paragraph includes engagement in normal business transactions for operation, property rent, asset or service transactions, financial assistance involving borrowing, guaranteeing, provision of assets as collateral, and similar behavior that incurs debts on the part of PTT or its contract counterpart to each

other amounting to 3% or more of PTT's net tangible assets or THB 20 million (whichever is smaller). Calculation of such debts is to follow the method for connected transactions under the announcement of the Capital Market Supervisory Board on connected transaction criteria *mutatis mutandis*; such debts must, however, include all debts incurred during the entire year before the business relationship with the same party begins.

- (5) Must never have been or not be an auditor for PTT, its parent company, subsidiaries, associated or related companies, major shareholders, or controlling person, and must not be a significant shareholder, controlling person, or partner of an audit office in which an auditor of PTT, its parent company, subsidiaries, associate or related companies, major shareholders, or controlling person serves, except where such association has ended at least two years before his or her appointment as an independent director.
- (6) Must never have been or not be a professional service provider, including legal or financial advisor with a fee of more than THB 2 million a year paid by PTT, its parent company, subsidiaries, associated or related companies, major shareholders, or controlling person, and must not be a significant shareholder, controlling person, or partner of the professional service provider in question, except where such association has ended at least two years before his or her appointment as an independent director.
- (7) Must not be a director appointed to represent PTT, a major shareholder, or a shareholder connected to PTT's major shareholder.
- (8) Must not engage in similar businesses that compete significantly with PTT or its subsidiaries and must not be a significant partner in partnerships or director participating in business management, staff, employee, advisor on payroll, or hold more than 1% shares of the total voting shares of other companies that are in similar businesses and compete significantly with PTT or its subsidiaries.
- (9) Must not have any other qualification that may compromise the expression of independent views on PTT's businesses.

Independent directors with qualifications under (1) - (9) above may be assigned by the Board to decide on the business operations of PTT, its subsidiaries,

associated companies, sister companies, juristic persons, major shareholders, or controlling persons that could pose conflicts of interest; such decisions will be collective decisions.

If a person appointed by PTT as an independent director has or used to have a business relationship or professional service provision with PTT exceeding the value given under (4) or (6) of the previous paragraphs, PTT is allowed to relax such prohibitions on a business relationship or professional service provision with excessive value if it could secure the Board of Directors' views regarding the criterion of Section 89/7 of the Securities and Exchange Act has illustrated that the appointment of such person will not affect his or her performance and independent expression of views. To this end, PTT must disclose the following information in the meeting notice to shareholders under the agenda item on consideration of independent director appointment:

- (1) Business relationship or professional service provision depriving the qualifications of that person.
- (2) Justification and necessity for appointing that person as an independent director.
- (3) PTT's Board of Directors views on the appointment of that person as an independent director.

Under Nos. (5) and (6) of the previous paragraph, "partner" means a person assigned by the audit office or professional service provider to serve as a signatory of the audit report or professional service report (as applicable) on behalf of the company.

In addition, these qualifications must not contradict the applicable laws.

Incidentally, if independent directors serve in this position in PTT, its subsidiaries, associated companies, or sister companies, PTT must also disclose information about such service and the total compensation of such directors in the 56-1 One Report.

- Business relationship or professional service provision of independent directors in the past fiscal year -None-

## Roles, Duties, and Responsibilities of PTT's Independent Directors

- (1) Recommend essential and beneficial matters to PTT, shareholders, and minor shareholders to the Board and/or the President and Chief Executive Officer.
- (2) Advocate roles and responsibilities of the Board and provide views commonly expected of independent directors for the benefit of PTT, its shareholders, and minor shareholders.
- (3) Review matters to ensure PTT's compliance with laws dealing with independent directors and duly revise the definition of independent directors for suitability and legal completeness.
- (4) Perform other Board-assigned duties provided that these actions do not compromise their independence.
- (5) An independent director's term begins once he or she fulfills all the requirements under the definition of PTT's corporate governance; it ends when he or she lacks qualifications or completes the PTT term.
- (6) The independent directors must hold their own meeting at least once a year.

## Segregation of the Chairman and the President & CEO

To segregate policy-making duties from those of day-to-day management and to enable directors to look after and assess performance effectively, PTT has required that the Chairman and the President & CEO are always two persons. This is because the Chairman needs to oversee management's performance, guide, and assist it, but not to take part in or interfere with day-to-day management, which is the duty of the President & CEO under the authority delegated by the Board.

The current Chairman is an independent director. He exercises high-level leadership and ensures that directors do not fall under the influence of management by encouraging them to exercise their voting rights and strictly comply with CG principles.

## Independence of the Chairman

Board Meeting No. 12/2023 on December 21, 2023, appointed Mr. Chatchai Phromlert, an independent director, as Chairman of the Board with effect from December 23, 2023. The appointment complied with the 2017 CG Code for Listed Companies. It would allow the work of the Chairman to be independent and boost confidence in the transparency of operations and fair treatment of all stakeholders.

## (2) Nomination of Directors and the President & CEO

### Nomination of Directors

In 2023, The Nominating Committee nominated to the shareholder's meeting to consider and appoint 5 new directors to replace directors who resigned and/or completed their terms at the 2023 Annual General Meeting (AGM):

- Air Chief Marshal Chanon Mungthanya, Independent Director
- Mr. Lavaron Sangsnit, Director
- Mr. Phongsthorn Thavisin, Director (Changed to Independent Director with effect from October 19, 2023)
- Mr. Chatchai Phromlert, Independent Director
- Mrs. Phongsaward Neelayodhin, Independent Director

The Committee also nominated to the shareholder's meeting to consider and reappoint the directors who completed their terms at the 2023 AGM for another term, as follows:

- Dr. Prasert Sinsukprasert, Director
- Mr. Krishna Boonyachai, Independent Director
- Associate Professor Dr. Narongdech Srukhsosit, Independent Director

Nomination procedures are reported under Section 2, Corporate Governance, **the topic of Proposing Additional Meeting Agenda Items and Nominating Directors**, and **Item 7.3 (2) The Nominating Committee**.

## Nomination of the President & CEO/ Succession Planning

Nomination of the President & CEO and succession plan are reported under Section 2 Corporate Governance, **Item 7.4 Information about executives**.

## (3) Director Development

### Training Courses/ Seminars/ Engagement in PTT Activities

The Board and management value regular participation in training and seminars concerning their competencies for their jobs. (Training details appear in directors' profiles in Attachment 1.) Most PTT directors (more than 90%) underwent training with the Thai Institute of Directors Association (IOD) and other leading entities and institutes as well as seminars on related topics.

At present, the Board was trained in courses related to director duties, namely 14 in the Director Certification Program (DCP) and 3 in the Director Accreditation Program (DAP), a total of 14 out of 15 directors, equivalent to 93.33%.

PTT supports and sponsors IOD membership for all directors to provide them with communication and more information channels which is useful for their directorships. PTT also delivers seminar information for directors to consider enrollment in curricula of their interest; this also applies to other continual seminars or curricula throughout the year. It regularly organizes in-house briefings by leading consultants and experts from PTT Group on useful business data. Finally, it organizes company site visits for directors to other units or entities as seen fit to provide helpful insights for application to PTT's businesses for sustainable growth.

In 2023, training and seminars to foster their work knowledge and PTT's activities include the items below.

Directors	Training/ Seminar/ Activity
Mr. Chatchai Phromlert	<ul style="list-style-type: none"> <li>• Director Orientation</li> </ul>
Mr. Krishna Boonyachai	<ul style="list-style-type: none"> <li>• The Executive Program in Energy Literacy for a Sustainable Future, Class 17, Thailand Energy Agency (TEA)</li> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> <li>• IIA International Conference 2023 organized by the Institute of Internal Auditors, July 10 - 12, 2023</li> <li>• CAE Forum 2023 on "ESG Derisking: A New Challenge for IA" and "Perspectives from Experience and Expectations for CAE" organized by the Institute of Internal Auditors of Thailand and the Stock Exchange of Thailand, August 25, 2023</li> <li>• "PTT Group AC Forum 2023: Wind of Changes" on "2023 Audit Committee Priorities: How Audit Committee Can Plan for Success" and "Financial Business Threat Management Measures and Emergency Decree on Measures for the Prevention and Suppression of Technological Crimes, B.E. 2566 (2023)", organized by PTT's Office of Corporate Audit, August 29, 2023</li> <li>• Seminar for Audit Committee on "Manipulating Financial Statements to Commit Corruption in the Thai Capital Market" and "Sustainability under Recession Economy and Global Warming Reduction Measures" organized by EY Office Ltd., October 26, 2023</li> </ul>
Mr. Payong Srivanich	<ul style="list-style-type: none"> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> </ul>
GEN. Teerawat Boonyawat	<ul style="list-style-type: none"> <li>• The Executive Program in Energy Literacy for a Sustainable Future, Class 17, Thailand Energy Agency (TEA)</li> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> </ul>
Mr. Jatuporn Buruspat	<ul style="list-style-type: none"> <li>• Special in-house briefing on PTT Group's business operations e.g. AI, Logistics, and Life Science</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> </ul>
Dr. Prasert Sinsukprasert	<ul style="list-style-type: none"> <li>• Director Orientation</li> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> </ul>

Directors	Training/ Seminar/ Activity
Professor Dr. Thosaporn Sirisumphand	<ul style="list-style-type: none"> <li>• In attendance at a visit by HRH Princess Maha Chakri Sirindhorn to VISTEC's School of Information Science and Technology, PTT's Intelligent Operation Center (IOC), Wangchan Valley, Rayong province, November 6 - 8, 2023.</li> <li>• "Geopolitics, Energy Transition &amp; Energy Crisis: How do Oil &amp; Gas markets fit into this complicated triangle?", Petroleum Institute of Thailand (PTIT)</li> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> </ul>
Associate Professor Dr. Narongdech Srukhsit	<ul style="list-style-type: none"> <li>• Special in-house briefing on PTT Group's business operations e.g. AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> <li>• Digital Transformation Development Program for the Board, "The Cullinan: The Making of the Digital Board", (Class 2), Digital Economy Promotion Agency and Thailand Management Association</li> </ul>
Air Chief Marshal Chanon Mungthanya	<ul style="list-style-type: none"> <li>• Director Orientation</li> <li>• Director Certification Program (DCP 338/2023), Thai Institute of Directors Association (IOD)</li> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> <li>• CAE Forum 2023 on "ESG Derisking: A New Challenge for IA" and "Perspectives from Experience and Expectations for CAE" organized by The Institute of Internal Auditors of Thailand and The Stock Exchange of Thailand, August 25, 2023</li> <li>• "PTT Group AC Forum 2023: Wind of Changes" on "2023 Audit Committee Priorities: How Audit Committee Can Plan for Success" and "Financial Business Threat Management Measures and Emergency Decree on Measures for the Prevention and Suppression of Technological Crimes, B.E. 2566 (2023)", organized by PTT's Office of Corporate Audit, August 29, 2023</li> <li>• Seminar for Audit Committee on "Manipulating Financial Statements to Commit Corruption in the Thai Capital Market" and "Sustainability under Recession Economy and Global Warming Reduction Measures" organized by EY Office Ltd., October 26, 2023</li> </ul>
Mr. Chansin Treenuchagron	<ul style="list-style-type: none"> <li>• Strategic Board Master Class (SBM 12/2023), Successful Formulation &amp; Execution of Strategy (SFE 41/2023), Thai Institute of Directors Association (IOD)</li> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> </ul>

Directors	Training/ Seminar/ Activity
Mr. Lavaron Sangsnit	<ul style="list-style-type: none"> <li>• Director Orientation</li> <li>• Special in-house briefing on PTT Group's business operations e.g. AI, Logistics, Life Science and Hydrogen</li> </ul>
Mr. Phongsthorn Thavisin	<ul style="list-style-type: none"> <li>• Board Nomination and Compensation Program (BNCP 16/2023), Thai Institute of Directors Association (IOD)</li> <li>• Special in-house briefing on PTT Group's business operations e.g. AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> </ul>
Associate Professor Dr. Chayodom Sabhasri	<ul style="list-style-type: none"> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> <li>• In-house briefing on PTT Group Way of Conduct</li> <li>• In-house briefing on PEs and CVs</li> <li>• IIA International Conference 2023 organized by the Institute of Internal Auditors, July 10 - 12, 2023</li> <li>• CAE Forum 2023 on "ESG Derisking: A New Challenge for IA" and "Perspectives from Experience and Expectations for CAE" organized by The Institute of Internal Auditors of Thailand and The Stock Exchange of Thailand, August 25, 2023</li> <li>• "PTT Group AC Forum 2023: Wind of Changes" on "2023 Audit Committee Priorities: How Audit Committee Can Plan for Success" and "Financial Business Threat Management Measures and Emergency Decree on Measures for the Prevention and Suppression of Technological Crimes, B.E. 2566 (2023)", organized by PTT's Office of Corporate Audit, August 29, 2023</li> <li>• Seminar for Audit Committee on "Manipulating Financial Statements to Commit Corruption in the Thai Capital Market" and "Sustainability under Recession Economy and Global Warming Reduction Measures" organized by EY Office Ltd., October 26, 2023</li> </ul>
Mrs. Phongsaward Neelayodhin	<ul style="list-style-type: none"> <li>• Director Orientation</li> </ul>
Mr. Auttapol Rerkpiboon	<ul style="list-style-type: none"> <li>• In attendance at a visit by HRH Princess Maha Chakri Sirindhorn to VISTEC's School of Information Science and Technology, PTT's Intelligent Operation Center (IOC), Wangchan Valley, Rayong province, November 6 - 8, 2023.</li> <li>• Special in-house briefing on PTT Group's business operations e.g. EV, AI, Logistics, Life Science and Hydrogen</li> </ul>

The PTT Board also engaged in other corporate activities, such as business visits to PTT and PTT Group companies, and attended Committee attended PTT Inauguration Day, etc.

## (4) Board Self-assessment

In compliance with the CG policy, PTT requires the Board to conduct a self-assessment to scope its regular review of its performance. In 2022, PTT worked with PricewaterhouseCoopers ABAS Co., Ltd. (PwC) in reviewing and preparing the 2022 PTT Board Performance Assessment Form to ensure effective and up-to-date assessment of the Board's performance in line with the corporate governance principles of SEC, SET, SEPO, including other related criteria and guidelines in Thailand and international. The Board Meeting No. 9/2023 on September 21, 2023, approved all five 2023 self-assessment forms: Assessment of the Board (Entire Board), Assessment of Individual Directors (Self-assessment), Individual Assessment of Other Directors (Cross-assessment), Assessment of Specific Committees (Self-assessment), and Assessment of Chairman's roles and performance, along with satisfaction with specific committees and chairman of each committee. The five assessment forms stipulated the percentages corresponding to the levels of performance achieved in each topic with reference scoring criteria: 90 - 100 = excellent, 80 - 89 = very good, 70 - 79 = good, 60 - 69 = satisfactory, 50 - 59 = pass, and below 50 = not pass. The self-assessment findings were as follows:

- 1. Assessment of the Board (Entire Board):** consisted of four topics: Board composition and qualifications, Board roles and responsibilities, Meeting preparation and conducting, Board training and self-development.

The overall results indicated excellent performance, with an average score of 93.81%.

- 2. Assessment of Individual Directors (Self-assessment):** consisted of four topics: Board roles and responsibilities, Board meetings, Relationship with the Management, and Board self-development.

The overall results indicated excellent performance, with an average score of 96.56%.

- 3. Individual Assessment of Other Directors (Cross assessment):** consisted of four topics same as self-assessment of individual directors for direct comparison.

The overall results in these four topics indicated excellent performance, with an average score of 97.74%.

- 4. Self-assessment of Specific Committees (Entire Committees)** consisted of four topics: Specific Committee composition and qualifications, Specific Committee roles and responsibilities, Meeting preparation and conducting, training, and self-development.

The results indicated excellent overall performance as follows:

- 4.1 The Nominating Committee indicated excellent performance, with an average score of 96.67%.
- 4.2 The Remuneration Committee indicated excellent performance, with an average score of 90.00%.
- 4.3 The Corporate Governance and Sustainability Committee indicated excellent performance, with an average score of 96.27%.
- 4.4 The Enterprise Risk Management Committee indicated excellent performance, with an average score of 97.33%.

- 5. Chairman's Roles & Duties and Performance Assessment, Satisfaction of the Committees, and the Chairman of each.** The assessment of the Chairman consisted of eight topics, and ten topics on work satisfaction assessment indicated excellent performance, with an average score of 92.88%.

### Audit Committee's Performance Assessment:

To comply with the best practices of The Stock Exchange of Thailand (SET), the Audit Committee assesses its audit performance by undertaking a self-assessment at least one time annually. Also, the Audit Committee's Performance Assessment, problems, and improvement plan are presented annually to the Board. In 2023, the Audit Committee's Meeting No. 9/2023 on September 7, 2023,



approved its assessment forms, namely Assessment of the Committee (entire committee), Assessment of Individual Directors (self-assessment), and Individual Assessment of Other Directors (cross-assessment). The scoring criteria are 1 = disagree, no action was taken in that regard, or little action was taken in that regard, 2 = agree, or have taken reasonable action on the matter, 3 = quite agree or have taken good action on that matter, 4 = strongly agree, or have excellent action on that matter. The Audit Committee Meeting No. 11/2023 on November 13, 2023, approved the assessment of its 2023 performance and reported the results together with the performance improvement plan of 2024 to Board Meeting No. 12/2023 on December 21, 2023. The results indicated good performance, with an average score of 99.48%.

PTT also analyzes the assessment topics to develop/ improve performance efficiency and formulates an annual plan for directorship efficiency enhancement to the Board for approval. In addition to developing the annual performance assessment forms for the Board, the Board has since 2017 begun gauging directors' efficiency and effectiveness by defining KPIs for their performance early in the year for measuring the Board's performance and determining their remuneration.

## Director Orientation

For new directors, PTT arranges an orientation program on its business policies, capital structure, shareholding structure, business performance, and information systems, as well as applicable laws and regulations. In addition, each director receives a Director's Handbook, with useful information for performing duties as PTT directors. The Director's Handbook/ Information for Directors consists of the following:

### Director's Handbook:

- |  |  |
|--|--|
| 1. Public Company Act  | 8. Articles of Association   |
| 2. Securities and Exchange Act   | 9. Company Regulations (15 regulations)  |
| 3. Standard Qualifications of State Enterprise Directors and Employees Act | 10. PTT Corporate Governance, Ethical Standards and Code of Business Ethics Handbook                       |
| 4. Emergency Decree on Electronic Meetings, B.E. 2563 (2020)               | 11. Manual for Directors of Listed Companies   |
| 5. Company Registration Certificate  | 12. Principles and Guidelines on Corporate Governance for Stated-Owned Enterprises B.E. 2562 (2019) (SEPO) |
| 6. Company Certificate   |  |
| 7. Company Objectives  |  |

### Information Kit for Directors:

- |  |   |
|--|---|
| 1. Business overview presentation of PTT                               | 9. Annual Registration Statement/ Annual Report (Form 56-1 One Report) Financial Report |
| 2. List of directors, specific committees, and management structure    | 10. Corporate Governance  |
| 3. Director Fiduciary Duty Check List                                  | 11. Debenture Magazine ("Happiness")  |
| 4. CG Principles for Listed Companies (CG Code)                        | 12. Article: "Truth about Privatization"  |
| 5. Connected Transactions of Listed Companies                          | 13. PTT GROUP WAY OF CONDUCT  |
| 6. Guidance on Providing Information for Listed Company Management     | 14. PTT Technology and Innovation Management Operating System                           |
| 7. PTT Plc. Company Profile (short version)                            | 15. PLLI Course Catalog   |
| 8. Annual Registration Statement/ Annual Report (Form 56-1 One Report) |   |

This year, in the briefing to the new directors, the President & CEO along with senior management presented information about PTT, its management structure, strategies and policies on business operations and performance, and relevant information for their overview of the business operations. The above-mentioned documents and handbook for new directors were handed over. In 2023, five director orientations were organized.

## 8.1.2 Meeting Attendance and Individual Directors' Compensation

### (1) Board Meetings

PTT schedules its board meetings in advance for each month of the year. In 2023, the monthly meetings took place on the third Thursday of each month, with occasional special meetings on special agendas as seen fit. The Office of President sends each director meeting notices, agendas with complete details and rationale, and supplementary documents with enough essential details for decision-making about seven days ahead of each meeting to give them time to study these. Directors consider the agenda through application software to streamline the process of agenda delivery and the paperwork involved, thus speeding up directors' work while efficiently providing them with adequate details for decision-making.

Since 2015, for each meeting, the Board has required a regular follow-up agenda on the updates of implementation of Board observations and comments to ensure the execution of PTT's strategies.

The Board's policy is that, for a given agenda item, if any director has potential conflicts of interest with PTT, the secretariat will not deliver such agenda item to that director, who will not attend the meeting and abstain from voting on such an agenda item. In voting, the minimum quorum of directors is two-thirds of all attending directors. If the quorum does not comply with this guideline, the discretion of the Chairman will be sought, a policy that is stated in the Corporate Governance Handbook.

For each agenda item, the minutes contain written comments and observations. The Board-certified minutes are filed for perusal by the directors and related parties. Each meeting normally takes 3 - 4 hours. In addition, the meeting schedule for the whole year has been set in advance, and directors have been informed of the meeting schedule at the end of the previous year or the beginning of the year.

In 2023, PTT held a total of 23 Board meetings, 12 regular meetings, and 11 special meetings. Out of 23 meetings, 21 were physical meetings and 2 were electronic meetings (e-Meeting). A special meeting is held annually to determine, review, and approve PTT Group's vision, mission, directions, and strategies (five-year rolling). This year, the Board and management took part in reviewing such matters and approved the direction and strategy to scope and guide the work by business units, subsidiaries, and associates in developing enterprise and budgeting plans for 2024 - 2028. In addition, one non-executive meeting was held in June 2023 on the topic of PTT's businesses on various issues and recommendations to management for further business improvement. This is in line with the Principles and Guidelines on Corporate Governance for State-owned Enterprises B.E. 2562 (2019) as well as the guidelines given by the State Enterprise Policy Office. Management process after the meeting included disclosing the issues discussed and notifying the results of the meeting to the Board or the President and CEO for acknowledgment.

Three independent director meetings were held: (1) June 2023: "PTT Group Way of Conduct", (2) October 2023: "PEs and CVs" and (3) December 2023: PTT's businesses on various issues and recommendations to management for further business improvement. At every meeting, the Chairman allowed all directors to express their opinions freely and independently. The Board meetings are detailed below.

## Attendance of the Board and Five Specific Committee Meetings for 2023

No.	Name	Special 1/2023	1/2023	2/2023	3/2023	Special 2/2023*	Special 3/2023	4/2023	5/2023	Special 4/2023	6/2023	7/2023	Special 5/2023	8/2023	Special 6/2023	9/2023	Special 7/2023	10/2023	Special 8/2023*	11/2023	Special 9/2023	Special 10/2023	Special 11/2023	12/2023	Total (times)	%	
1	Professor Dr. Thosaporn Sirisumphand	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X	/	/	22	95.65	
2	POL. GEN. Rungroj Sangkram	/	/	/	/	/	Retired by rotation at the 2023 AGM																	5	100		
	Air Chief Marshal Chanon Mungthanya	Appointed with effect from April 12, 2023					/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	18	100
3	Mr. Danucha Pichayanon	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Resigned with effect from October 9, 2023								15	100	
	Mr. Chatchai Phromlert	Appointed with effect from December 1, 2023																				/	/	2	100		
4	GEN. Teerawat Boonyawat	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	23	100
5	Mr. Jatuporn Buruspat	X	/	/	/	/	/	/	/	X	/	/	/	/	/	X	/	/	/	/	/	/	X	/	19	82.61	
6	M.L. Chayotid Kridakon	/	/	/	/	Resigned with effect from March 22, 2023																	4	100			
	Mr. Phongsthorn Thavisin	Appointed with effect from May 9, 2023							/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	16	100
7	Mr. Krishna Boonyachai	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	23	100
8	Associate Professor Dr. Chayodom Sabhasri	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	23	100
9	Mr. Payong Srivanich	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	23	100	
10	Mr. Phongsthorn Thavisin	/	/	/	/	/	Retired by rotation at the 2023 AGM																	5	100		
	Mr. Lavaron Sangsnit	Appointed with effect from April 12, 2023					/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	/	/	X	X	15	83.33
11	Mr. Krisada Chinavicharana	X	/	/	/	/	/	/	/	/	/	/	X	/	Resigned with effect from August 31, 2023										11	84.62	
	Mrs. Phongsaward Neelayodhin	Appointed with effect from December 1, 2023																				X	/	1	50.00		
12	Associate Professor Dr. Narongdech Srukhsosit	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	23	100
13	Mr. Chansin Treenuchagron	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	23	100
14	Dr. Prasert Sinsukprasert	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	23	100
15	Mr. Auttapol Rerkpiboon	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X**	/	/	/	22	95.65	
Total Attendance		13	15	15	15	14	14	14	15	14	15	15	14	15	14	13	12	13	13	13	12	12	12	14			
Total Directors		15	15	15	15	14	14	14	15	15	15	15	15	15	14	14	13	13	13	13	13	13	15	15			
%		86.67	100	100	100	100	100	100	100	93.33	100	100	93.33	100	100	92.86	92.31	100	100	100	92.31	92.31	80.00	93.33			

Remarks:

\* e-Meeting totally 2 times.

\*\* Mr. Auttapol Rerkpiboon was absent the meeting due to conflict of interest.

Directors	Board and Specific Committee Meetings in 2023						Appointment during the Year
	Board of Directors Total 23	Audit Committee Total 20	Corporate Governance and Sustainability Committee Total 4	Nominating Committee Total 11	Remuneration Committee Total 8	Enterprise Risk Management Committee Total 13	
1. Mr. Chatchai Phromlert	2/2	-	-	-	-	1/1	December 1, 2023 (Replacing Mr. Danucha Pichayanan)
2. Mr. Krishna Boonyachai	23/23	20/20	-	-	-	-	-
3. Mr. Payong Srivanich	23/23	-	3/3	11/11	-	-	-
4. GEN. Teerawat Boonyawat	23/23	-	-	-	8/8	-	-
5. Mr. Jatuporn Buruspat	19/23	-	4/4	-	-	-	-
6. Dr. Prasert Sinsukprasert	23/23	-	-	-	-	11/11	-
7. Professor Dr. Thosaporn Sirisumphand	22/23	-	-	-	-	-	-
8. Associate Professor Dr. Narongdech Srukhsot	23/23	5/5	3/3	-	-	12/12	-
9. Air Chief Marshal Chanon Mungthanya	18/18	16/16	-	-	-	-	April 12, 2023 (Replacing POL. GEN. Rungroj Sangkram)
10. Mr. Chansin Treenuchagron	23/23	-	-	4/4	7/7	1/1	-
11. Mr. Lavaron Sangsnit	15/18	-	-	6/6	1/1	-	April 12, 2023 (Replacing Mr. Phongsthorn Thavisin)
12. Mr. Phongsthorn Thavisin	16/16	-	-	-	1/1	7/7	May 9, 2023 (Replacing M.L. Chayotid Kridakon)
13. Associate Professor Dr. Chayodom Sabhasri	23/23	15/15	1/1	-	-	-	-
14. Mrs. Phongsaward Neelayodhin	1/2	-	1/1	-	-	-	December 1, 2023 (Replacing Mr. Krisada Chinavicharana)
15. Mr. Auttapol Rerkpiboon	22/23	-	-	-	-	-	-

### Attendance Record of Directors Who Retired/ Resigned in 2023 (Total: 5 directors)

Directors	Board and Specific Committee Meetings in 2023						Appointment during the Year
	Board of Directors Total 23	Audit Committee Total 20	Corporate Governance and Sustainability Committee Total 4	Nominating Committee Total 11	Remuneration Committee Total 8	Enterprise Risk Management Committee Total 13	
1. M.L. Chayotid Kridakon	4/4	-	-	-	-	3/3	Resigned with effect from March 22, 2023
2. POL. GEN. Rungroj Sangkram	6/6	4/4	-	-	-	-	Retired by rotation on April 12, 2023
3. Mr. Phongsthorn Thavisin	5/5	-	-	4/4	-	-	Retired by rotation on April 12, 2023
4. Mr. Krisada Chinavicharana	11/13	-	-	-	4/5	-	Resigned, effective from August 31, 2023
5. Mr. Danucha Pichayanan	15/15	-	-	7/7	-	-	Resigned, effective from October 9, 2023

#### Remarks:

In 2023, a total of 23 Board meetings were held (12 regular and 11 special meetings).

\* Reasons for meeting absence were prior scheduled official engagements or urgent special meeting appointments. Leave of absence letters were duly forwarded to the Chairman ahead of the meetings.

## (2) Remuneration of Directors

PTT fairly and sensibly specifies the remuneration of directors, by appointing the Remuneration Committee to review directors' proper compensation. This year, the Remuneration Committee adopted the consideration practices for directors and specific committees, taking into account practices of other listed peer companies, leading domestic as well as international companies, and state enterprise companies, the corporate governance principles, PTT's financial performance, responsibilities of the Board, and economic growth. Directors' remuneration consists of monthly allowance, meeting allowance, and bonuses. Directors appointed to specific committees receive additional allowances for additional responsibilities. Shareholder-approved directors' compensation rates are as follows:

## Remuneration of Directors

The Directors' Remuneration was approved at the 2023 Annual General Meeting (AGM) held on Friday, April 12, 2023, as follows:

### 1. Monthly Fee and Meeting Attendance Fee for 2023, of which rates remained the same.

#### 1.1 Monthly fee and meeting attendance fee of the Board:

- Monthly fee of THB 30,000 per month per director with the Chairman receiving twice the amount received by directors.
- Meeting attendance fee of THB 60,000 per meeting for those in attendance only and the Chairman shall receive 25% higher than the directors. The payment was limited to one meeting per month. Where necessary, the attendance fee may be paid for more than one meeting during a month but must not exceed 15 meetings per year.

#### 1.2 Monthly fee and meeting allowance fee of specific committees shall be **at the same rate** as follows:

##### 1.2.1 The Audit Committee

- Monthly fee of THB 15,000 per month per director with the Chairman receiving the same rate as the members.
- Meeting attendance fee of THB 45,000 per meeting for those in attendance only. The Chairman receives 25% more than the members, and the secretary to the meeting receives a monthly fee of THB 7,500 (the same rate as last year).

##### 1.2.2 The remuneration for other committees, namely **the Nominating Committee, the Remuneration Committee, the Corporate Governance and Sustainability Committee, the Enterprise Risk Management Committee**, and other sub-committees that may be appointed by the Board as necessary and appropriate in the future, shall be the same rate as last year as follows:

- Monthly fee - None (same as last year)
- Meeting attendance fee of THB 30,000 per meeting for those in attendance only. The Chairman receives 25% more than the members.

#### 1.3 Other benefits - None (same as last year)

A vehicle was provided to the Chairman to facilitate his duties only.

## Directors' Bonuses in 2023

Bonus payouts for directors, at 0.05% of the net profit of 2023, corresponded with PTT's performance and net profit, with a maximum limit of THB 60 million for the entire Board. Bonuses were prorated with each director's term, with the Chairman receiving 25% higher than members (same as previously).

## The Remuneration for Directors in 2023

Unit: THB

No.	Directors	Days of Service Jan. - Dec. 2023	Bonus 2023	Meeting Allowance (Inclusive of Monthly)	Meeting Allowance (Specific Committee)	Total Allowance	Total Remuneration
1.	Mr. Chatchai Phromlert	31	334,587.25	98,709.68	37,500.00	136,209.68	470,796.93
2.	Mr. Krishna Boonyachai	365	3,814,852.28	1,260,000.00	847,500.00	2,107,500.00	5,922,352.28
3.	Mr. Payong Srivanich	365	3,814,852.28	1,260,000.00	382,500.00	1,642,500.00	5,457,352.28
4.	GEN. Teerawat Boonyawat	365	3,814,852.28	1,260,000.00	330,000.00	1,590,000.00	5,404,852.28
5.	Mr. Jatuporn Buruspat	365	3,814,852.28	1,140,000.00	180,000.00	1,320,000.00	5,134,852.28
6.	Dr. Prasert Sinsukprasert	365	3,913,628.89	1,326,290.32	300,000.00	1,626,290.32	5,539,919.21
7.	Professor Dr. Thosaporn Sirisumphand	365	4,647,147.48	1,770,000.00	-	1,770,000.00	6,417,147.48
8.	Associate Professor Dr. Narongdech Srukhsit	365	3,814,852.28	1,260,000.00	480,000.00	1,740,000.00	5,554,852.28
9.	Air Chief Marshal Chanon Mungthanya	263.5	2,778,297.83	858,500.00	519,250.00	1,377,750.00	4,156,047.83
10.	Mr. Chansin Treenuchagron	365	3,814,852.28	1,260,000.00	330,000.00	1,590,000.00	5,404,852.28
11.	Mr. Lavaron Sangsnit	263.5	2,778,297.83	798,500.00	180,000.00	978,500.00	3,756,797.83
12.	Mr. Phongsthorn Thavisin	237	2,492,920.97	712,258.06	255,000.00	967,258.06	3,460,179.03
13.	Associate Professor Dr. Chayodom Sabhasri	365	3,814,852.28	1,260,000.00	690,000.00	1,950,000.00	5,764,852.28
14.	Mrs. Phongsaward Neelayodhin	31	311,946.13	90,000.00	30,000.00	120,000.00	431,946.13
15.	Mr. Auttapol Rerkpiboon	365	3,814,852.28	1,260,000.00	-	1,260,000.00	5,074,852.28
<b>Total</b>			<b>47,775,644.62</b>	<b>15,614,258.06</b>	<b>4,561,750.00</b>	<b>20,176,008.06</b>	<b>67,951,652.68</b>

## Remarks:

No. 1. Mr. Chatchai Phromlert was appointed as an independent director on December 1, 2023, and appointed as Chairman of the Board on December 23, 2023.

No. 6. Dr. Prasert Sinsukprasert was appointed as Chairman of the Board from November 16, 2023, to December 22, 2023.

No. 7. Professor Dr. Thosaporn Sirisumphand was appointed as Chairman of the Board from November 18, 2022, to November 15, 2023.

No. 9. Air Chief Marshal Chanon Mungthanya was appointed as an independent director on April 12, 2023.

No. 11. Mr. Lavaron Sangsnit was appointed as an independent director on April 12, 2023.

No. 12. Mr. Phongsthorn Thavisin was appointed as a director on May 9, 2023.

No. 14. Mrs. Phongsaward Neelayodhin was appointed as an independent director on December 1, 2023.

Mr. Auttapol Rerkpiboon has been in full compliance with the terms of his employment contract as President and CEO for the remuneration that he received as a director from January 1 to December 31, 2023.



## The Remuneration for Directors Who Completed the Terms and/or Resigned in 2023

Unit: THB

No.	Directors	Days of Service Jan. - Dec. 2023	Bonus 2023	Meeting Allowance (Inclusive of Monthly)	Meeting Allowance (Specific Committee)	Total Allowance	Total Remuneration
1.	M.L. Chayotid Kridakon	80	805,022.27	330,000.00	112,500.00	442,500.00	1,247,522.27
2.	POL. GEN. Rungroj Sangkram	101.5	1,036,554.44	401,500.00	275,750.00	677,250.00	1,713,804.44
3.	Mr. Phongsthorn Thavisin	101.5	1,036,554.44	401,500.00	90,000.00	491,500.00	1,528,054.44
4.	Mr. Krisada Chinavicharana	242	2,469,088.05	840,000.00	120,000.00	960,000.00	3,429,088.05
5.	Mr. Danucha Pichayanan	281	2,889,076.65	997,741.94	225,000.00	1,222,741.94	4,111,818.59
<b>Total</b>			<b>8,236,295.85</b>	<b>2,970,741.94</b>	<b>823,250.00</b>	<b>3,793,991.94</b>	<b>12,030,287.79</b>

### Remarks:

No. 1. M.L. Chayotid Kridakon was appointed as a director on December 16, 2020 and resigned with effect from March 22, 2023.

No. 2. POL. GEN. Rungroj Sangkram was appointed as an independent director on July 3, 2020, and completed his term on April 12, 2023.

No. 3. Mr. Phongsthorn Thavisin was appointed as a director on October 8, 2021, and completed his term on April 12, 2023.

No. 4. Mr. Krisada Chinavicharana was appointed as a director on October 1, 2021, and resigned with effect from August 31, 2023.

No. 5. Mr. Danucha Pichayanan was appointed as an independent director on April 12, 2018, and resigned with effect from October 9, 2023.

## Directors' Remuneration Profile, 2020 - 2023

Unit: THB

Remuneration	2020		2021		2022		2023	
	Person	Amount	Person	Amount	Person	Amount	Person	Amount
Meeting Attendance	15	24,215,338.71	15	24,182,451.62	15	24,350,806.45	15	23,970,000.00
Bonus	15	18,882,904.18	15	54,181,705.42	15	45,587,428.76	15	56,011,940.47
<b>Total</b>		<b>43,098,242.89</b>		<b>78,364,157.04</b>		<b>69,938,235.21</b>		<b>79,981,940.47</b>

### Remark:

The 2022 - 2023 directors' remuneration shown in the table includes the remuneration of the President and CEO who has already complied with the terms of the employment contract as President and CEO.

Remuneration of PTT's Directors/ Independent Directors from being a Director/ an Independent Director of Subsidiaries\* in 2023 (The table below presents remuneration paid to directors/ independent directors only for the period they served on PTT.)

Unit: THB

Directors	Director Remuneration		Committee Meeting Allowance	Total Remuneration	Remarks
	Bonus**	Meeting Allowance and Monthly Allowance			
1. Professor Dr. Thosaporn Sirisumphand	-	772,500.00	-	772,500.00	Director/ Chairman of the Board, Arun Plus Co., Ltd. (ARUN PLUS) from January 1 to December 31, 2023
2. Mr. Danucha Pichayanan	-	376,500.00	-	376,500.00	Director, Arun Plus Co., Ltd. (ARUN PLUS) from January 1 to October 4, 2023
3. M.L. Chayotid Kridakon	-	135,000.00	-	135,000.00	Director, Arun Plus Co., Ltd. (ARUN PLUS) from January 1 to March 22, 2023
	-	333,870.97	90,000.00	423,870.97	Independent Director/ Member of the Corporate Governance and Sustainability Committee, PTT Global Chemical Plc. from January 1 to March 21, 2023

Directors	Director Remuneration		Committee Meeting Allowance	Total Remuneration	Remarks
	Bonus**	Meeting Allowance and Monthly Allowance			
4. Mr. Auttapol Rerkpiboon***	4,181,584	1,480,000	-	5,661,584	Director, PTT Exploration and Production Plc. from January 1 to December 31, 2023
	2,855,695.55	1,770,000.00	-	4,625,695.55	Director/ Chairman of the Board, PTT Oil and Retail Plc. from January 1 to December 31, 2023

**Remarks:**

\* According to the new International Financial Reporting Standards

\*\* Directors have received the 2023 annual bonuses (for the 2022 performance) for serving with PTT Global Chemical Plc., and PTT Oil and Retail Business Plc., approved by the 2023 AGM of each company.

\*\*\* Mr. Auttapol Rerkpiboon has complied with the terms of his employment contract as President and CEO.

## 8.1.3 Governance of Subsidiaries and Associates

The Corporate Governance and Sustainability Committee oversees, monitors, and assesses the corporate governance and Anti-fraud and Corruption performance of PTT and PTT Group through PTT Group Way of Conduct. The Committee provides policies and guidelines to the Governance, Risk and Compliance Management Committee (GRCMC), chaired by the Senior Executive Vice President, Organization Effectiveness and Corporate Governance. GRCMC is tasked with the supervision of conformance with good governance principles, operational risk management, internal control, and compliance with laws, rules, and regulations of the organization, including setting an action plan and annual goals, approved by the Corporate Governance and Sustainability Committee and PTT's Board of Directors.

PTT's operations to promote compliance with policies and guidelines on supervision of subsidiaries and associated companies to achieve strong governance and uniform standards across PTT Group are as follows:

1. Communicated overview and compliance with policies and practices according to PTT Group Way of Conduct to ensure that PTT Group companies can follow correctly and appropriately with the company's context, including providing PTT Group Guideline for New Company through the New Company Setup Integration Taskforce meeting and sub-meetings with PTT policy owners to support and advise the company on its implementation.

2. Monitored the implementation to ensure consistency and thoroughness through the indicators of the top management of PTT Group companies. This is in line with those of the State Enterprise Assessment Model (SE-AM) for monitoring the achievement of PTT Group's governance. The implementation of PTT Group's management guidelines was reported to the meeting of PTT Group Management Committee (PTTGMC) and Minor PTT Group Management Committee (Minor PTTGMC) to monitor the efficiency and effectiveness of operations on an annual basis.
3. Developed PTT Group Way of Conduct Web Portal, a channel for communicating news, publicizing the contact information of those involved, regulations, and important guidelines related to PTT Group management to be completed and up to date. It is also a channel for submitting operational evidence and supporting monitoring of the implementation of PTT Group management guidelines between policy owners, subsidiary management units, and PTT Group companies to be completed and in a timely manner.
4. Site visits to drive PTT Group governance to be efficient and exchange best practices, focusing on "Multi-Level Governance" through the transfer of PTT Group Way of Conduct from PTT to PTT Group companies of the next hierarchy. The concept is to study best practices in supervising companies in the Flagship Group as well as other perspectives to be used as a guideline to improve and develop PTT Group Way of Conduct to be more efficient, including providing advice on PTT Group management practices.
5. Conducted PTT Group Way of Conduct Effectiveness Survey 2023 to take scores, comments, and suggestions into consideration in developing, improving, and preparing an ongoing operational plan on an annual basis.
6. Enhanced knowledge and understanding of Governance, Risk Management and Internal Control, and Compliance (GRC), as well as various practices through knowledge-sharing sessions and development programs for PTT Group companies as follows:
  - MD on Board for senior management team members that are MDs or CEOs in PTT Group,
  - Secondment Development Program for PTT's executives and employees serving in affiliates.

## 8.1.4 Corporate Governance Policy and Compliance Control Guideline

### (1) Inside Information Guideline

PTT provides notifications and campaigns against the use of insider information through PTT's communication channels, for example, internal PR e-mail to refrain from purchase/ sale/ transfer of PTT's securities after 1 day during the financial statement closing date to the date of reporting the financial statement to the Stock Exchange of Thailand on a quarterly basis; and communicate good practices in the CG Handbook through CG Tips.

PTT has instituted a system for reporting trading of PTT Group's securities in advance. If PTT's personnel need to trade such securities, they must inform the Company Secretary through the system at least two days in advance. In 2023, there was no reported transaction outside silent periods involving those whose jobs involved internal information; no major incidents occurred that impacted PTT, and no accusations of using inside information by regulators.

### (2) Conflict of Interest

PTT requires disclosure of information with conflicts of interest between self-interest and PTT to prevent activities that could cause conflicts as well as illegal or improper activities.

### Preparation of Reports on Potential Conflicts of Interest with PTT

To prevent conflicts of interest, PTT requires all employees to annually file reports to disclose possible items where employees or their relatives develop conflicts of interest with PTT each time this is discovered. In 2023, the Board, management, and all employees all filed their reports (100%) through PTT intranet; no material cases were found. The disclosed items of conflicts of interest with PTT confirm acknowledgment that a breach of ethics and PTT's code of conduct is regarded as a disciplinary offense, subject to disciplinary actions according to disciplinary procedures and severity. This year, there was no case of a conflict of interest related to a disciplinary offense.

### (3) Corporate Governance, Code of Conduct, and Anti-Fraud and Corruption Activities

The Corporate Governance and Sustainability Committee (Board level) and the Governance, Risk and Compliance Management Committee (GRCMC) (Management level) provide oversight and monitor PTT's execution of corporate governance, operational risk management, internal control, and compliance. GRMC serves as PTT's Anti-Fraud and Corruption Operation Center for State Enterprises and is charged with steering and implementing plans for corporate governance and Anti-fraud and Corruption together with the definition of goals and KPIs approved by the Corporate Governance and Sustainability Committee and the Board. Besides its constant implementation and development as mentioned under Section 6 Corporate Governance on the topic of Anti-Fraud and Corruption, this year PTT executed the following promotional activities on Corporate Governance, Code of Conduct, and Anti-fraud and Corruption:

- Revision of PTT's Anti-Fraud and Corruption Policy to cover policies related to hiring government officials, and added guidelines in hiring or appointing government officials in the CG Handbook to clarify the implementation regarding this, and raise awareness among employees not to use such channels in return for any benefit or cause conflict of interest.
- Communicated corporate governance and Anti-Fraud and Corruption together with delivering the CG Handbook to all new employees for study and acknowledgment as their guidelines.

- Prepared e-Learning courses in the areas of corporate governance and Anti-Fraud and Corruption for employees to choose, for example (1) CG and Anti-Fraud and Corruption e-Learning to comply with the CG Handbook, covering good practices such as prevention of inside information use, prevention of conflict of interest, and anti-fraud and corruption, (2) Conflict of Interest, and (3) Basic knowledge on Organic Act on Anti-Corruption, B.E. 2561 (2018). Executives and employees were informed of this for self-study in all work areas. The total number of PTT employees participating in the training was 91.8%, 90.9% and 90.0%, respectively.

In addition, in 2023, training courses on good corporate governance and anti-fraud and corruption were held, by inviting external expert speakers to educate employees, e.g. Introduction to Major Anti-Corruption Laws, Conflict of Interest and Insider Trading, Principles and Techniques of Fact-finding Investigation and Disciplinary Investigation, etc.

- Fostered an ambiance of awareness through various internal media, including GRC intranet/ CG Intranet, GRC Advisory Program for inquiries from employees, CG/ GRC reminders through CG Tips and Do-Don't, GRC PODCAST, GRC Short Video, GRC Lesson Learned via internal PR e-mail, GRC video clips in elevators and LED video wall on 1<sup>st</sup> floor hall of PTT Head Office for everyone's information about CG/ GRC, and knowledge sharing as well as engagement in activities of interest. In order to enhance GRC-based functioning, PTT also mandates that GRC Talk be included in the agenda for all functional meetings, such as PTT Management Committed meetings. GRC Talk serves as a channel of communication and a tool for raising CG/ GRC awareness.

- In 2023, PTT organized the GRC Forum as a hybrid event consisting of a seminar to educate and share experiences in office of General Counsel operations by senior executives in the Office of General Counsel and business functions on “Beyond GRC for Sustainable Growth” as well as a special guest speaker on “The Integrity Seed: Pluk Phak Praw Rak Mae” for PTT employees to apply the knowledge to their operations and jointly create value as a company with good governance. Integrity culture was also strengthened to drive the sustainability of PTT’s business both domestically and internationally.
- Valued corporate governance among PTT Group in line with the PTT Group Way of Conduct by appointing PTT Group Corporate Governance Committee, whose goal is to upgrade corporate governance standards for PTT Group to comparable levels and define action plans and relentlessly proactive guidelines for public relations through PTT Group CG Day, a campaign to promote and publicize corporate governance by PTT Group, namely PTT, PTTEP, GC, TOP, IRPC, GPSC and OR. Guests of honor from external agencies included representatives of the NACC Office, the Foundation of Anti-Corruption Networks, the Office of the Ombudsman, SEC, along with business partners, the Boards, executives, and employees of PTT Group. In 2023, the event was organized under the concept of “Good to Great: CG Empowering for the Future” in a hybrid form to demonstrate the enhancement of good corporate governance cooperation, prepare for business transformation towards a sustainable future, and build confidence among all stakeholders.
- Strived to build transparent networks for a robust Thai society by strongly advocating its business partners’ declaration of the intention to join Thai Private Sector Collective Action Against Corruption (CAC) to lower risks of corrupt practices across the supply chain. In 2023, PTT educated and urged business partners to join CAC at the annual suppliers’ seminar and the annual supplier seminars for NGV and gas distribution pipeline functions.
- Promoted and shared knowledge with external agencies to upgrade corporate governance standards. Management team members served as speakers to share CG experience and concepts on various occasions. Welcomed public and private entities, including educational institutions, on-site visits, where the experience was shared, and observation was made on PTT’s corporate governance practices.
- In 2023, PTT assessed corporate governance and anti-fraud and corruption performance to develop related tasks. It was found that 99.74% commanded good understanding, 97.59% were satisfied with good to very good CG communication, and 96.87% were satisfied with CG and anti-fraud and corruption implementation by PTT.

## (4) Whistleblowing

All stakeholders can use mechanisms to contact and stay informed of information, news, and complaints of products and services through PTT Intranet and from outside through PTT Website, phone, written notification, and e-mail to Investor Relations Department, Office of the President, Corporate Communication and Branding Department, Good Governance and Corporate Ethics Department, or Customer Relation Center as follows:

Phone : 1365 Contact Center, 0-2537-2000  
 LINE@ : @contact1365  
 Website : www.pttplc.com  
 E-mail : Customer Relations Center:  
 1365@pttor.com  
 Corporate Communication and Branding  
 Department:  
 contact@pttplc.com  
 Office of the President:  
 corporatesecretary@pttplc.com  
 Investor Relations Department:  
 ptt-ir@pttplc.com  
 GRC Hotline:  
 GRChelpdesk@pttplc.com  
 Whistleblowing:  
 pttvoice@pttplc.com

All questions, comments, and recommendations are forwarded to related units to act or remedy through the whistleblowing system, with follow-ups made through alerts under the e-mail system under applicable service level agreements (SLA). If action is not completed, the next superior is reminded to take action. When the action is taken, the responsible unit informs the whistleblower and follows up again by inquiring about service satisfaction by a Contact Center officer. Executives monitor all information monthly to gauge trends and use them as guidelines for process and goods and service improvement to meet all stakeholders' needs. This year, (excluding complaints about PTT Oil and Retail Business Plc. (OR)), 9,038 cases were filed, most dealing with NGV privilege cards for public buses and their use, and contacts with PTT's employees/ offices.

PTT enables the public to file grievances and complaints when coming across improper or unethical behavior of directors, executives, or employees towards PTT Board, the Audit Committee, President and CEO, Senior Executive Vice President, Organization Effectiveness and Corporate Governance. Senior Executive Vice President, Office of General Counsel, Executive Vice President, Corporate Human Resources, and Executive Vice President, Office of Corporate Audit. PTT values to all complaints in an equitable, transparent, attentive, and fair manner, with suitable action periods and due safeguarding of confidential information and whistleblower protection.

To this end, Good Governance and Corporate Ethics Department is a center for grievances and whistleblowing, follow-ups of notifications, protection and fairness assurance for whistleblowers concerning corporate corrupt practices, including reports of investigation and punishment to management and relevant committees, apart from notification to related parties. In 2023, a total of 15 complaints were made through whistleblowing channels for fraud and non-compliance. After due consideration under the process, 13 were found to be without grounds for fraud, and 2 were under screening processes.

In this regard, PTT considered disciplinary action against the offenders based on one complaint received by PTT in 2022 and completed the complaint management process in 2023 with termination of employment without compensation. The conclusion of the complaint was already informed to the relevant persons and is in the process of legal proceedings. Improvement has been made in the job inspection process and measures to prevent recurrence. For example, requiring employees involved in the process to undergo training courses regarding procurement requirements and various committee duties, establishing mechanisms to systematically review the progress and success of assigned tasks, etc.

## (5) The Reporting of Securities Holding Portfolio

In 2023, PTT, by Office of President, issued a reminder on four occasions to directors and management team on forbidding the trading or transfer of PTT securities (1) from January 1 to March 1, 2023 (fiscal year 2022) or 1 day after PTT disclosed its 2022 financial statements to The Stock Exchange of Thailand (SET); (2) from April 1 to May 16, 2023 (first quarter budget of 2023) or 1 day after PTT disclosed the financial statements of the first quarter budget of 2023 to SET; (3) from July 1 to August 16, 2023 (second quarter budget of 2023) or 1 day after PTT disclosed the financial statements of the second quarter budget of 2023 to SET; (4) from October 1 to November 16, 2023 (third quarter budget of 2023) or 1 day after PTT disclosed the financial statements of the third quarter budget of 2023 to SET. In addition, PTT defined a policy of avoiding securities trading of PTT Group outside these periods. Directors and management strictly complied with this. If necessary to trade PTT Group securities, they must inform the Company Secretary at least two days ahead.



## Securities Portfolios of Directors, 2022 - 2023

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2022	As of Dec. 31, 2023	Change during the Year (Shares)	
1.	Mr. Chatchai Phromlert	N/A	-	-	Appointed on December 1, 2023 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
2.	Mr. Krishna Boonyachai	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
3.	Mr. Payong Srivanich	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
4.	GEN. Teerawat Boonyawat	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
5.	Mr. Jatuporn Buruspat	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
6.	Dr. Prasert Sinsukprasert	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
7.	Professor Dr. Thosaporn Sirisumphand	-	-	-	-
	Spouse and children under legal age	18,000	18,000	-	(No trading transaction of PTT shares in 2023)
8.	Associate Professor Dr. Narongdech Srukhsit	-	-	-	-
	Spouse and children under legal age	1,399	1,399	-	(No trading transaction of PTT shares in 2023)
9.	Air Chief Marshal Chanon Mungthanya	N/A	-	-	Appointed on April 12, 2023 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
10.	Mr. Chansin Treenuchagron	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
11.	Mr. Lavaron Sangsnit	N/A	-	-	Appointed on April 12, 2023 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
12.	Mr. Phongsthorn Thavisin	10,000	10,000	-	(No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	-	-	-	-
13.	Associate Professor Dr. Chayodom Sabhasri	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
14.	Mrs. Phongsaward Neelayodhin	N/A	-	-	Appointed on December 1, 2023 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2022	As of Dec. 31, 2023	Change during the Year (Shares)	
15.	Mr. Auttapol Rerkpiboon	225,000	225,000	-	Information is shown in Securities Portfolio of Executives
	Spouse	43,000	43,000	-	-
	Children under legal age	-	-	-	-

## Remarks:

1. No PTT share was held by directors' spouses and children under legal age except those of 7, 8 and 15.
2. Mr. Phongsthorn Thavisin completed his term on the 2023 AGM and was appointed as a director with effect from May 9, 2023, replacing M.L. Chayotid Kridakon who resigned effective March 22, 2023.

## Securities Portfolios of Directors Who Completed Their Terms or Resigned in 2023

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2022	As of Dec. 31, 2023	Change during the Year (Shares)	
1.	M.L. Chayotid Kridakon	-	N/A	N/A	Resigned, effective from March 22, 2023 (No PTT share held during his directorship in 2023)
	Spouse and children under legal age	-	N/A	N/A	-
2.	POL. GEN. Rungroj Sangkram	-	N/A	N/A	Completed his term on April 12, 2023 (No PTT share held during his directorship in 2023)
	Spouse and children under legal age	-	N/A	N/A	-
3.	Mr. Phongsthorn Thavisin	10,000	10,000	-	Completed his term on April 12, 2023, and was appointed as a director with effect from May 9, 2023 (replacing M.L. Chayotid Kridakon)
	Spouse and children under legal age	-	N/A	N/A	-
4.	Mr. Krisada Chinavicharana	-	N/A	N/A	Resigned, effective from August 31, 2023 (No PTT share held during his directorship in 2023)
	Spouse and children under legal age	-	N/A	N/A	-
5.	Mr. Danucha Pichayan	-	N/A	N/A	Resigned, effective from October 9, 2023 (No PTT share held during his directorship in 2023)
	Spouse and children under legal age	-	N/A	N/A	-

## Securities Portfolio of Executives, 2022 - 2023

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2022	As of Dec. 31, 2023	Change during the Year (Shares)	
1.	Mr. Auttapol Rerkpiboon	225,000	225,000	-	(No trading transaction of PTT shares in 2023)
	Spouse	43,000	43,000	-	(No trading transaction of PTT shares in 2023)
	Children under legal age	-	-	-	-
2.	Mr. Wuttikorn Stithit	141,210	141,210	-	(No trading transaction of PTT shares in 2023)
	Spouse	90,960	90,960	-	(No trading transaction of PTT shares in 2023)
	Children under legal age	-	-	-	-
3.	Mr. Noppadol Pinsupa	136,000	136,000	-	(No trading transaction of PTT shares in 2023)
	Spouse	298,000	298,000	-	(No trading transaction of PTT shares in 2023)
	Children under legal age	-	-	-	-
4.	Dr. Buranin Rattanasombat	214,190	214,190	-	(No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	-	-	-	-
5.	Miss Pannalin Mahawongtikul	288,120	288,120	-	(No trading transaction of PTT shares in 2023)
6.	Mr. Terdkiat Prommool	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
7.	Mr. Chadil Chavanalikhikorn	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
8.	Miss Peangpanor Boonklum	-	-	-	(No PTT share held)
9.	M.L. Peekthong Thongyai	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
10.	Mr. Prasong Intaranongpai	20,750	20,750	-	(No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	N/A	-	-	-
11.	Mr. Pongpun Amornvivat	N/A	8,000	-	Newly appointed executive on January 1, 2023 (No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	N/A	-	-	-
12.	Mr. Cherdchai Boonchoochaay	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2022	As of Dec. 31, 2023	Change during the Year (Shares)	
13.	Mr. Chansak Chuenchom	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
14.	Mr. Montri Rawanchaikul	64,000	-	(64,000)	(There were trading transaction of PTT shares in 2023)
	Spouse and children under legal age	-	-	-	-
15.	Dr. Kongkrapan Intarajang	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
16.	Mr. Bandhit Thamprajamchit	N/A	-	-	Newly appointed executive on January 1, 2023 (No PTT share held)
	Spouse and children under legal age	N/A	121,000	-	(No trading transaction of PTT shares in 2023)
17.	Mr. Kris Imsang	100,000	100,000	-	(No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	-	-	-	-
18.	Mr. Worawat Pitayasiri	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
19.	Mr. Suchat Ramarch	160,800	160,800	-	(No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	-	-	-	-
20.	Mrs. Nivadee Jaroensitipun	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
21.	Mrs. Wanida Boonpiraks	N/A	677,290	-	Newly appointed executive on December 1, 2023 (No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	N/A	3,000	-	(No trading transaction of PTT shares in 2023)
22.	Miss Numpetch Supharatanasit	N/A	-	-	Newly appointed executive on December 1, 2023 (No PTT share held)
23.	Miss Jaroonsri Wankertphon	26,000	26,000	-	(No trading transaction of PTT shares in 2023)

Remark:

No PTT share was held by executives' spouses and children under legal age except those of Nos. 1, 2, 3, 16 and 21.

## Securities Portfolios of Management Transferred/ Resigned/ Retired in 2023

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2022	As of Dec. 31, 2023	Change during the Year (Shares)	
1.	Mrs. Chanamas Sasnanand	130,000	N/A	N/A	Executive Vice President PTT working on a secondment as Executive Vice President - Finance and Accounting, Thai Oil Plc. effective from December 1, 2023 (No trading transaction of PTT shares in 2023)
	Spouse and children under legal age	-	N/A	N/A	-

### Remark:

PTT issued and offered 60,000,000 warrants to the President, management, PTT employees, and employees of PTT Group companies seconded to PTT consisting of two batches: 1) PTT-W1 (40,000,000 units), offered in 2005, with the last exercise date on August 31, 2010, and 2) PTT-W2 (20,000,000 units), offered in 2006, with the last exercise date on September 28, 2011. All warrants were exercised, and no new ones have been issued.

## (6) Filing of Assets and Debts to NACC

Details appear in Section 6 Corporate Governance Policy “**Section 6.1 Overview of Corporate Governance Policy and Guidelines**”

## (7) Declaration of Vested Interests in Meetings

Details appear in Section 6 Corporate Governance Policy “**Section 6.1 Overview of Corporate Governance Policy and Guidelines**”

## (8) Deliberation and Review of Connected Transactions

Details appear in Section 6 Corporate Governance Policy “**Section 6.1 Overview of Corporate Governance Policy and Guidelines**”

## 8.2 Reports of Specific Committees' Performance This Past Year

The Board of Directors values corporate governance and thus appoints five specific committees to consider significant matters: Audit Committee, Nominating Committee, Remuneration Committee, Corporate Governance and Sustainability Committee, and Enterprise Risk Management Committee.

## 8.3 Report of the Audit Committee for 2023

### 8.3.1 Report of the Audit Committee

Details can be found on pages 324 - 327.

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## 8.4 Report of the Specific Committees for 2023

### 8.4.1 Report of the Nominating Committee

Details can be found on pages 328 - 329.

### 8.4.2 Report of the Remuneration Committee

Details can be found on pages 330 - 331.

### 8.4.3 Report of the Corporate Governance and Sustainability Committee

Details can be found on pages 332 - 336.

### 8.4.4 Report of the Enterprise Risk Management Committee

Details can be found on pages 337 - 339.

# Report of the Audit Committee



**Mr. Krishna Boonyachai**  
Chairman of the Audit Committee

PTT's present Audit Committee is made up of three knowledgeable independent directors, chaired by Mr. Krishna Boonyachai, with Air Chief Marshal Chanon Mungthanya, and Associate Professor Dr. Narongdech Srukhsit serving as members. Serving as secretary to this committee is Mr. Chayagorn Leangruenrom, Executive Vice President, Office of Corporate Audit. The tenure in 2023 is summarized as follows:

## January 1, 2023 to April 12, 2023

- POL. GEN. Rungroj Sangkram  
Chairman
- Mr. Krishna Boonyachai  
Member
- Associate Professor Dr. Chayodom Sabhasri  
Member

## April 12, 2023 to November 30, 2023

- Mr. Krishna Boonyachai  
Chairman
- Associate Professor Dr. Chayodom Sabhasri  
Member
- Air Chief Marshal Chanon Mungthanya  
Member

## December 1, 2023 to Present

- Mr. Krishna Boonyachai  
Chairman
- Air Chief Marshal Chanon Mungthanya  
Member
- Associate Professor Dr. Narongdech Srukhsit  
Member





In 2023, the Committee executed its Board-assigned duties and those under its own charter, which agreed with SEC's best practices. It reviewed and advocated PTT's good governance, together with adequate risk management and internal control system. It ensured PTT's emphasis on being a transparent organization with efficient and effective internal audit activity, while aligning corporate goals, and enhancing the internal audit quality, the journey of Office of Corporate Audit to be a trustworthy partner for sustainable long-term value creation for PTT with due regard for satisfying stakeholders' expectations. The Key highlights are as follows:

1. Advocated the enhancement of internal control, good governance, and risk management processes, as well as compliance by emphasizing the management to focus on raising employees' awareness for careful and thoughtful actions, including reviewing internal regulations related to operations appropriately according to organizational context, along with supervising the implementation of internal control processes to be tightened to build stakeholder confidence.
2. Encouraged the management to focus on PTT's operational safety and cybersecurity standards, as well as encouraged collaboration with PTT Group companies to build trust and prepare for complex cyber threats more efficiently.
3. Provided recommendations to the management regarding PTT's implementation process to supervise and monitor the operational processes of various

departments, such as reputation risk management, human resource management and corporate culture formulation, whistleblowing, third party screening etc., as well as enhancing the organization's operations in accordance with the State Enterprise Assessment Model (SE-AM) to ensure that PTT has a reliable and robust operating process for further sustainable business practices.

4. Focused on the investment supervision process of PTT and its affiliates by meeting with the Enterprise Risk Management Committee to exchange information and ensure that PTT analyzes, scrutinizes, and reviews the investment process carefully, concisely, efficiently, and in line with the changing global business environment. Emphasized sustainability processes covering Environmental, Social, and Governance (ESG) to ensure that PTT continues to efficiently and effectively operate in line with its sustainable development guidelines in the future.
5. Assigned a policy to strengthen PTT Group's internal audit quality to efficiently, effectively, and credibly accommodate stakeholders' expectations by focusing on efficient and effective audits. Advisory roles are added to add value to PTT and its affiliates, in parallel with promoting professional certifications and developing internal auditors to align with the strategic directions of PTT and PTT Group companies. The internal audit processes have been continuously developed by applying more technology in internal audit activities.

In 2023, the Committee held 20 meetings, as detailed below:

**January 1, 2023 to April 12, 2023:** 4 meetings

- POL. GEN. Rungroj Sangkram  
Attended 4 meetings
- Mr. Krishna Boonyachai  
Attended 4 meetings
- Associate Professor Dr. Chayodom Sabhasri  
Attended 4 meetings

**April 12, 2023 to November 30, 2023:** 11 meetings

- Mr. Krishna Boonyachai  
Attended 11 meetings
- Associate Professor Dr. Chayodom Sabhasri  
Attended 11 meetings
- Air Chief Marshal Chanon Mungthanya  
Attended 11 meetings

**December 1, 2023 to 31, 2023:** 5 meetings

- Mr. Krishna Boonyachai  
Attended 5 meetings
- Air Chief Marshal Chanon Mungthanya  
Attended 5 meetings
- Associate Professor Dr. Narongdech Srukhsit  
Attended 5 meetings

## Summary of Performance

### 1. Review of Financial Reports:

The Committee reviewed quarterly and annual financial reports together with consolidated financial reports with the Management, the Office of Corporate Audit, and the External Auditor. It asked the External Auditor about the accuracy and completeness of financial reports, adjustment of material account entries and accounting projections affecting such reports, adequacy, and suitability of account recording, audit scope, information disclosure that was accurate, complete, and adequate, as well as its own freedom. All these elements ensured that the preparation of financial reports abided by legal requirements as well as accounting standards under generally accepted accounting principles that were credible and timely, and that adequate information was disclosed for users' benefit.

### 2. Review of Risk Management Process:

In conjunction with the Management, the Committee regularly reviewed the efficiency and effectiveness of the risk management process as well as the policy, action plans, and risk management approach that affect PTT Group's operations. It also provided advice for process improvement and prompt actions for unforeseen events.

### 3. Review of Internal Control Process:

The Committee reviewed PTT's internal control with the Office of Corporate Audit every quarter by examining its operation, resource consumption, stewardship of properties, prevention or reduction of errors or damage, losses, waste, or potential of fraud, the credibility of financial reports, including compliance with laws, regulations, and Cabinet resolutions. No significant problems or material shortcomings were detected. This year's assessment outcomes of internal control against SET's best practices and the Ministry of Finance's Internal Control Standards for Government Agencies, B.E. 2561 (2018), according to PTT management, were that PTT had indeed designed adequate and appropriate control mechanisms.

#### 4. Review of Governance Process:

The Committee reviewed the process of compliance with applicable laws and regulations, business protocols, related party transactions, or those with potential conflicts of interest and connected transactions among PTT Group to ensure sensible conformance to normal business terms. The Committee also reviewed the complaint handling and whistleblowing process.

#### 5. Review of the Implementation According to the State Enterprise Assessment Model (SE-AM) of the State Enterprise Policy Office, Ministry of Finance:

The Committee reviewed PTT's operating process according to the SE-AM together with the Office of Corporate Audit and related parties per year, covering eight Core Business Enablers i.e. Corporate Governance & Leadership, Strategic Planning, Risk Management and Internal Control, Stakeholder and Customer Management, Digital Technology, Human Capital Management, Knowledge Management and Innovation Management and Internal Audit by monitoring the implementation of relevant observations/ recommendations to ensure that PTT's operating process complied with the SE-AM, with continuous improvement.

#### 6. Monitoring of Internal Audit Activity:

The Audit Committee reviewed the Office of Corporate Audit's strategic plan, annual plan and long-term audit plans, including audit results and performance according to the plans. To this end, it recommended and monitored corrective actions for significant aspects of good governance and adequate internal control. It considered amending the internal audit charter. Also reviewed were the KPIs, the Office's budget and resource adequacy, personnel, independence of the Office, and the annual merit consideration for the Executive Vice President heading the Office for further presentation to the Board. The Committee also supervised the continuing quality assurance and improvement program of the Office of Corporate Audit.

#### 7. Maintaining the Quality of the Audit Committee:

The Committee reviewed its own charter and assessed its performance as a group and as individuals (self-assessment and cross-assessment) against SET's best practices to ensure efficient and fruitful performance. Overall assessment result was "good", and action plans for performance improvement were set. The Committee reported its performance outcomes to the Board every quarter.

#### 8. Appointment of the External Auditor for 2024:

The Committee considered and endorsed the auditor from EY Office Company Limited to be the External Auditor of PTT for 2024 for the Board's concurrence and the shareholders' approval at the 2024 AGM, together with its audit fees. The Committee also met exclusively with the External Auditor on one occasion in the absence of PTT management to discuss the audit scope, guidelines, and plans together with its performance freedom and comments with a focus on accurate, complete, and adequate presentation of data.

In summary, the Audit Committee executed its charter duties and responsibilities with due competence, care, prudence, and adequate independence while providing comments and advice for the equitable benefit of all stakeholders. Its view is that PTT's financial statements are accurate, credible, and align with generally accepted accounting standards. In addition, PTT practiced compliance with applicable laws and business obligations, together with good governance, adequate risk management and internal control, conformance to rules along with efficient and effective internal audit activity.



**Mr. Krishna Boonyachai**  
Chairman of the Audit Committee

# Report of the Nominating Committee



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**Mr. Payong Srivanich**  
Chairman of the Nominating Committee

The Nominating Committee consists of three directors, chaired by Mr. Payong Srivanich, independent director, with Mr. Chansin Treenuchagron, independent director, and Mr. Lavaron Sangsnit, director, as members. The Company Secretary or the Executive Vice President, Company Secretary and Corporate Relation serves as its secretary.

In 2023, the Committee executed Board-assigned duties with due prudence, transparency, and fairness and improved its approach to align with up-to-date business strategies with due regard for shareholders' and stakeholders' best interests. This year, the Committee held 11 meetings as shown below:

## January 1, 2023 to March 24, 2023

- Mr. Danucha Pichayanon  
Chairman  
Attended 4 meetings
- Mr. Payong Srivanich  
Member  
Attended 4 meetings
- Mr. Phongsthorn Thavisin  
Member  
Attended 4 meetings

## March 25, 2023 to April 12, 2023

- Mr. Danucha Pichayanon  
Chairman  
Attended 1 meeting
- Mr. Payong Srivanich  
Member  
Attended 1 meeting

**April 13, 2023 to September 12, 2023**

- Mr. Danucha Pichayanan  
Chairman  
Attended 2 meetings
- Mr. Payong Srivanich  
Member  
Attended 2 meetings
- Mr. Lavaron Sangsnit  
Member  
Attended 2 meetings

**September 13, 2023 to December 31, 2023**

- Mr. Payong Srivanich  
Chairman  
Attended 4 meetings
- Mr. Lavaron Sangsnit  
Member  
Attended 4 meetings
- Mr. Chansin Treenuchagron  
Member  
Attended 4 meetings

The Nominating Committee considered the following important matters:

- Nominated directors to replace those who were due to retire by rotation, based on diverse information, from various professions with suitable qualifications under applicable laws and regulations, PTT's Articles of Association, and the corporate governance code. Nominated candidates must be duly competent, skillful, and qualified for PTT's business strategies, based on an analysis of the PTT Board Skill Matrix and the Director Pool of the Ministry of Finance and Thai Institute of Directors Association (IOD). Their track records as well as past to present roles must ensure stakeholders' confidence. Their background must also be unblemished and without conflicts of interest with PTT. The names of qualified candidates were tabled for the Board's concurrence for appointment by the Annual General Meeting (AGM) according to the relevant laws and regulations.
- Nominated directors to replace those resigning during the year. To this end, the Committee carefully tabled qualified individuals with knowledge, abilities, and appropriate qualifications according to the above criteria to the Board for the appointment.
- Nominated directors for specific committees, based on their compositions, qualifications, knowledge, expertise, competencies, related skills, and suitability (Skill Matrix) for the Board's appointment, except for the Nominating Committee itself, which is to be appointed by the Board directly. The suitability of specific committees must be considered in line with the Company's vision, strategy, and sustainability goals.
- Reviewed the Board Skill Matrix as well as the matrix for the five specific committees and added skills, knowledge, and expertise in logistics and infrastructure under the category of engineering expertise, added skills and expertise in stakeholder management and geopolitics for the Board to align with PTT's vision and strategies. Legal knowledge and comprehension were added for the Audit Committee, and knowledge in accounting, finance, economics, marketing, and international business for the Enterprise Risk Management Committee. In addition, the goal of nominating at least two female directors was considered for diversified Board structure and composition, as well as setting KPIs for Board performance assessment (in addition to the Board assessment) and tabling the reviews for the Board's comments.
- Considered and screened the appointment, transfer, and promotion of Executive Vice President levels and above, and provided guidelines for the appointment, transfer, or promotion of the management level for appropriateness, including considering succession plan and up-to-date succession pool of senior executives in line with PTT's strategy for its continuous growth.
- Discussed the supervision/ the driving of the Board's performance guidelines for sustainable development.
- In addition, in 2023, the Board gave minor shareholders the opportunity to nominate directors, but no such nomination was put forward for the 2023 AGM. For transparency, other details appear in this form 56-1 One Report.



**Mr. Payong Srivanich**  
Chairman of the Nominating Committee

# Report of the Remuneration Committee

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56-1 One Report 2023  
PTT Public Company Limited

**General Teerawat Boonyawat**  
Chairman of  
the Remuneration Committee

In 2023, the Board of Directors appointed the Remuneration Committee, which consists mainly of independent directors. The Committee is chaired by General Teerawat Boonyawat, independent director, with Mr. Lavaron Sangsnit, director, (appointed on December 1, 2023), and Mr. Phongsthorn Thavisin, independent director, (appointed on December 1, 2023), as members. The Remuneration Committee members who served during the year were Mr. Krisada Chinavicharana, director, (was a member of the Remuneration Committee from October 1, 2021 to August 31, 2023), and Mr. Chansin Treenuchagron, independent director, (was a member of the Remuneration Committee from May 14, 2022 to November 30, 2023). The Company Secretary or the Executive Vice President, Company Secretary and Corporate Relation serves as its secretary.

The Committee performed its duties with prudence and care by screening and commenting on key issues for the Board's consideration. In 2023, the Committee held 8 meetings as shown below:

## January 1, 2023 to August 15, 2023

- GEN. Teerawat Boonyawat  
Chairman  
Attended 5 meetings
- Mr. Krisada Chinavicharana  
Member  
Attended 4 meetings
- Mr. Chansin Treenuchagron  
Member  
Attended 5 meetings



#### August 16, 2023 to November 30, 2023

- GEN. Teerawat Boonyawat  
Chairman  
Attended 2 meetings
- Mr. Chansin Treenuchagron  
Member  
Attended 2 meetings

#### December 1, 2023 to December 31, 2023

- GEN. Teerawat Boonyawat  
Chairman  
Attended 1 meeting
- Mr. Lavaron Sangsnit  
Member  
Attended 1 meeting
- Mr. Phongsthorn Thavisin  
Member  
Attended 1 meeting

The summary of performance is highlighted as follows:

- Considered the 2023 remuneration for the Board and its specific committees, based on PTT's performance and business size, practices of listed companies of the same industry and leading ones worldwide, along with Board responsibilities and the outcomes of Board assessment under various topics defined in the annual assessment forms. The remuneration was tabled for the Board's concurrence and subsequent proposal for approval at the 2023 AGM.
- Considered the assessment guidelines for determining remuneration for the President & CEO by taking into account factors and weights in various aspects such as performance which is linked to PTT's performance agreement with the Ministry in charge, the Ministry of Finance, his performance against the corporate vision, as well as his managerial ability, leadership, and

self-assessment. Key recommendations and indicators were provided based on the State Enterprise Assessment Model (SE-AM) according to the same guidelines used for Board assessment to evaluate the President & CEO.

- Considered and made recommendations on organizational restructuring to be in line with corporate direction and strategy according to the new vision "Powering Life with Future Energy and Beyond", taking into account the revenue-generating functions and redundancy of work.
- Acknowledged and commented on the assessment of senior executive vice presidents.
- Considered and provided suggestions on salary restructuring to be comparable to leading state enterprises and private companies, that reflects the current situation to attract potential people to join PTT and at the same time retain current employees.
- Reviewed and made observations on the implementation of the Variable Bonus system at the employee and management levels as an assisting tool to drive work efficiently for the organization's optimum benefit.

For transparency, the Remuneration Committee has disclosed the remuneration of all directors and specific committees together with management remuneration in this form 56-1 One Report.

**General Teerawat Boonyawat**  
Chairman of  
the Remuneration Committee



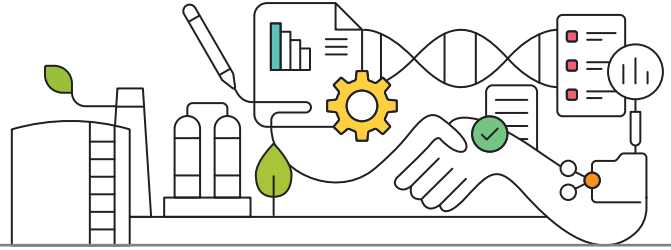
# Report of the Corporate Governance and Sustainability Committee



**Mr. Jatuporn Buruspat**  
Chairman of the Corporate Governance  
and Sustainability Committee

The Corporate Governance and Sustainability Committee is dedicated to transforming PTT into an organization that is transparent and auditable in the business world, managed with ethics and integrity, and zero tolerance for all fraud and corruption in order to foster fairness and confidence among all stakeholders. It does this by upholding the principles of corporate social responsibility (CSR), anti-fraud and corruption, governance, risk and compliance (GRC), and sustainability management (SM). PTT Group Way of Conduct drives these important rules for PTT Group companies, ensuring sustainable growth across the value chain.

The current Corporate Governance and Sustainability Committee is made up of three independent directors, namely Mr. Jatuporn Buruspat (Chairman), Associate Professor Dr. Chayodom Sabhasri (member), and Mrs. Phongsaward Neelayodhin (member). Senior Executive Vice President, Organization Effectiveness and Corporate Governance is serving as secretary. In 2023, the Committee held 4 meetings, of which details are as follows:



### January 1, 2023 to November 30, 2023

- Mr. Jatuporn Buruspat  
Chairman  
Attended 3 meetings
- Associate Professor Dr. Narongdech Srukhsit  
Member  
Attended 3 meetings
- Mr. Payong Srivanich  
Member  
Attended 3 meetings

*Remark: Mr. Payong Srivanich was appointed Corporate Governance and Sustainability Committee from April 8, 2022 to October 18, 2023.*

### December 1, 2023 to 31, 2023

- Mr. Jatuporn Buruspat  
Chairman  
Attended 1 meeting
- Associate Professor Dr. Chayodom Sabhasri  
Member  
Attended 1 meeting
- Mrs. Phongsaward Neelayodhin  
Member  
Attended 1 meeting

In 2023, the Corporate Governance and Sustainability Committee supervised, monitored, and evaluated the performance of the Company's operations, as highlighted below:

### Information Disclosure and Transparency

- Prepared 56-1 One Report and disclosed PTT's quarterly performance and material information to shareholders, investors, and the public, complete with material, adequate, credible, and timely details through assorted channels, including SET's publicity channels and PTT Website ([www.pttplc.com](http://www.pttplc.com)). The core

units taking charge of information distribution were Investor Relations Department and Corporate Communication and Branding Department.

- Disclosed 3-dimension sustainability performance information i.e. Environmental, Social and Governance (ESG) through 56-1 One Report under the topic of Driving Business towards Sustainability, Risk Management, Management's Discussion and Analysis, and Corporate Governance. The information was made public on PTT Website under the topic of Sustainability, by applying the Global Reporting Initiative (GRI) Sustainability Reporting Standard, GRI 11: Oil and Gas Sector 2021, International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards (S1 and S2) of International Sustainability Standards Board (ISSB) - IFRS S1 is linked with Integrated Reporting (IR) of The International Integrated Reporting Council (IIRC) and Sustainability Accounting Standards Board (SASB) while IFRS S2 is linked with Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to report the performance and financial impact from climate change of business, the United Nations Global Compact (UNGC), and the Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation of the World Economic Forum (WEF). PTT's unwavering support for the UN Sustainable Development Goals (SDGs) was confirmed. In addition, information disclosure was reviewed by independent external agencies on a yearly basis for entrusted confidence for the 13<sup>th</sup> consecutive year. PTT encouraged and supported PTT Group companies to disclose their information in compliance with SEC's and SET's directions that aspire listed companies to disclose their sustainability performance on a par with international practices.

### Rights of Shareholders and Equitable Treatment of Shareholders

- Held the 2023 AGM in the electronic format (e-AGM) and provided in advance adequate and timely information, as well as all information relevant to matters needing decisions at the AGM. Informed the shareholders about meeting rules and meeting participation methods via electronic media. Such information was publicized on PTT Website before sending out meeting notices to give shareholders adequate time to study details. Facilitated their full exercising of meeting and voting rights. All rules, including vote counting in each agenda item according to PTT's Articles of Association, including the exercise of voting rights via electronic system (e-Voting) in each agenda were clarified. PTT thus achieved an "outstanding" score on the AGM Checklist assessment.
- Allowed shareholders to propose additional agenda items and nominate directors for election in advance from September 1 to December 1, 2023, under the criteria prescribed by PTT.
- Required all directors and executives to disclose vested interests of themselves and related parties for 2023 so that the Board might review PTT's transactions with potential conflicts of interest and decide in PTT's best interests. Required directors with potential vested interests in any meeting agenda items to abstain, refrain from commenting, and skip such agenda items.
- Required all directors, executives, and employees to report their conflicts of interest for 2023, which was fully implemented, and no significant conflicts were found.
- Required all directors and executives to report their securities portfolios as required by law and assigned the Company Secretary to compile and report these to the Board every quarter.
- Ensured enforcement of the Insider Trading Guidelines by asking the directors, management, and personnel with the privilege to inside information to refrain from PTT's and PTT Group companies' securities trading before and after the disclosure of the financial statements as required. If such trading is necessary, for transparency

they must notify the Company Secretary ahead of time, including providing a briefing on Insider Trading case studies to the Board by a consulting firm.

### Strengthening the Effective Board of Directors

- Assessed Board performance using 5 types of forms: (1) overall, self-assessment, (2) cross-assessment, (3) specific committee assessment, (4) specific committee assessment, (5) Chairman's duty and performance assessment, satisfaction with the performance of specific committees and chairman of each specific committee. The 2023 results were "outstanding."
- Encouraged directors to attend training courses to develop directorship competencies, such as courses hosted by the Thai Institute of Directors Association (IOD) and other relevant institutes, as well as holding in-house courses and sessions by inviting experts to provide information related to the Board's work.
- Studied business management practices in PTT Group, including participating in activities related to energy and related businesses.
- Held three meetings among the independent directors.
- Held one non-executive meeting.

### Corporate Governance, Operational Risk Management and Internal Control, Compliance (GRC), and Anti-Fraud and Corruption

- Endorsed Revision 5 of PTT's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook, including the short-term (Annual Action Plan) and long-term GRC and anti-fraud and corruption action plans, as well as setting goals for further cascading for implementation, followed by continuous monitoring and recommendations to bring PTT's CG standards up to international par.
- Considered and approved the improvement of the Compliance Policy to keep it up to date accommodating PTT's new business operations and complying with relevant laws, regulations, and international standards.

- Considered and approved the application for the membership recertification of the Thai Private Sector Anti-Corruption Coalition (CAC), as well as advocated and urged PTT's business partners to declare their intention to join the CAC.
- Organized internal control assessments of operational processes of PTT and PTT Group by assessing risks, efficiency, and effectiveness of the control activities, including developing control activities to lower the risks to an acceptable level.
- Continuously supported and pushed PTT's legal and regulatory compliance processes and managed the non-compliance practices to prevent and reduce the likelihood of repeated non-compliance in the future. In 2023, no incidents of non-compliance with substantial impacts on the organization were found.
- Supervised and supported PTT's operations in accordance with the Personal Data Protection Act B.E. 2562 (2019) through the Data Protection Officer (DPO) structure.
- Supported the third-party screening program to establish standards for auditing the qualifications of those who enter into transactions with PTT to be rigorous and appropriate with efficient risk management and internal control system.
- Provided policies and recommendations to management to drive the implementation according to PTT Group Way of Conduct, which is a collection of guidelines, practices, and work processes in various dimensions for alignment and harmony within PTT Group, including supporting the development of Guidelines for New Company for newly set up companies with different business models.

#### Sustainability Management

- Determined strategic directions for sustainability management in 3 dimensions: Environmental, Social, and Governance, with 2 enablers in the sustainability management master plan to demonstrate the social and environmental responsibility of PTT in 2021 - 2025 (2<sup>nd</sup> Revision):

- **Environmental:** Sustainable Production and Consumption
- **Social:** People's Well-being
- **Governance:** Corporate Governance and Performance Excellence

Enablers for success are

- Innovation and Technology Promotion
- Stakeholder Management.
- Considered and approved the 2023 sustainability management plan and related action plans to support the Master Plan on Sustainability Management, Social Responsibility, and Environment 2021 - 2025. This encompasses an action plan that aligns with 3P Strategy (Pursuit of Lower Emissions, Portfolio Transformation, and Partnership with Nature and Society) to drive the Clean Growth targets by 2030 toward Carbon Neutrality by 2040 and Net Zero Emissions by 2050 with systematic monitoring and continuous recommendations.
- Considered and approved the reviews of PTT's sustainability management policy, Sustainability Management, Social Responsibility, and Environment Master Plan 2021 - 2025, Sustainability Management Practice Manual 2023, and Sustainability Management Plan 2024.

#### Corporate Social Responsibility and Sustainable Development

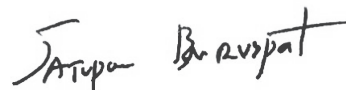
- Supported PTT's social contribution activities aiming for sustainable community development by applying PTT Group's potential and expertise along with building community engagement as a positive contribution to enhance livelihood to increase income and reducing expenses by more than 10%, as well as creating important skills for community self-reliance to achieve sustainability, promoting youth access to quality education to be an important force in driving the country, including raising awareness of environmental conservation for society. Key social projects implemented are as follows:

1. PTT Group's Innovation for Community Project enhances the economic potential of communities, develops agricultural areas, upgrades community products, and further develops community-based tourism.
2. PTT Group School Model supports quality basic education for network schools through the STEEM+4E program, focusing on science and technology.
3. Enhancing the social outcomes of social enterprise projects through Sarn Palung Social Enterprise Co., Ltd.
4. Promoting environmental networks through the Green Globe Institute by raising the standard of the Green Globe Awards and increasing the criteria for urban communities to preserve and promote quality of life for communities around the country.
5. Vetiver Development and Campaign Project due to Royal Initiatives to preserve soil and water by promoting planting, training on vetiver cultivation and vetiver leaf handicraft, as well as vetiver leaf planting and handicraft contest.

#### Awards of Pride

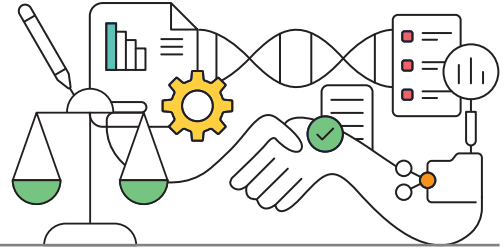
Thanks to our firm commitment to operating businesses with CG, social responsibility, and sustainability management for continuous standard enhancement in 2023, PTT earned extensive acclaim from domestic and international entities, as highlighted below:

- Passed S&P Global Sustainability Performance Assessment and was selected as a member of DJSI for the 12<sup>th</sup> consecutive year in the World Index group, Emerging Market Index group, including the leader in the Oil & Gas Upstream & Integrated (OGX).
- Excellent ranking from the Corporate Governance Report of Thai Listed Companies 2023 for the 15<sup>th</sup> consecutive year.
- Integrity & Transparency Assessment (ITA) at the A level from the NACC according to the 2023 criteria.
- 11<sup>th</sup> NACC Integrity Awards at Honorable Mention from the NACC Office
- 2 SET Awards 2023 for 3 consecutive years: Sustainability Awards of Honor and Innovative Company Awards of Honor.
- Outstanding Climate Action Leading Organization (CALO) Award with the Gold level of assessment on measuring and reducing greenhouse gas from Thailand Greenhouse Gas Management Organization (Public Organization).



**Mr. Jatuporn Buruspat**  
Chairman of the Corporate Governance  
and Sustainability Committee

# Report of the Enterprise Risk Management Committee



**Mr. Chatchai Phromlert**  
Chairman of the Enterprise  
Risk Management Committee

The Enterprise Risk Management Committee of PTT consists of 3 members: Mr. Chatchai Phromlert, Chairman, Mr. Chansin Treenuchagron, and Associate Professor Dr. Chayodom Sabhasri, Members, with Mr. Terdkiat Prommool, Senior Executive Vice President, Corporate Strategy and Sustainability, serving as secretary to the Committee. The tenure is as follows:

## January 1, 2023 to January 24, 2023

- M.L. Chayotid Kridakon  
Chairman
- Associate Professor Dr. Narongdech Srukhsit  
Member

## January 25, 2023 to March 22, 2023

- M.L. Chayotid Kridakon  
Chairman
- Associate Professor Dr. Narongdech Srukhsit  
Member
- Dr. Prasert Sinsukprasert  
Member

## March 23, 2023 to May 17, 2023

- Associate Professor Dr. Narongdech Srukhsit  
Member
- Dr. Prasert Sinsukprasert  
Member

## May 18, 2023 to November 16, 2023

- Mr. Phongsthorn Thavisin  
Chairman
- Associate Professor Dr. Narongdech Srukhsit  
Member
- Dr. Prasert Sinsukprasert  
Member

## November 17, 2023 to November 30, 2023

- Mr. Phongsthorn Thavisin  
Chairman
- Associate Professor Dr. Narongdech Srukhsit  
Member

**December 1, 2023 to December 14, 2023**

- Mr. Chatchai Phromlert  
Chairman
- Mr. Chansin Treenuchagron  
Member

**December 15, 2023 to December 22, 2023**

- Mr. Chatchai Phromlert  
Chairman
- Mr. Chansin Treenuchagron  
Member
- Associate Professor Dr. Chayodom Sabhasri  
Member

**December 23, 2023 to December 31, 2023**

- Mr. Chansin Treenuchagron  
Member
- Associate Professor Dr. Chayodom Sabhasri  
Member

The Enterprise Risk Management Committee (ERMC) has supported the Board's performance under corporate governance principles to keep risk management efficient and effective for goal achievement while aligning with corporate vision and direction as well as mitigating impacts of business uncertainties and emerging risks that are increasingly complex and severe from both internal and external factors, including volatile world economy. The key is to ensure shareholders and stakeholders that PTT's risk management system can indeed handle these risks in all dimensions and obtain projected business goals.

In 2023, ERMC held a total of 13 meetings as highlighted below:

**January 1, 2023 to January 24, 2023: 1 meeting**

- M.L. Chayotid Kridakon  
Attended 1 meeting
- Associate Professor Dr. Narongdech Srukhsosit  
Attended 1 meeting

**January 25, 2023 to March 22, 2023: 2 meetings**

- M.L. Chayotid Kridakon  
Attended 2 meetings
- Associate Professor Dr. Narongdech Srukhsosit  
Attended 2 meetings
- Dr. Prasert Sinsukprasert  
Attended 2 meetings

**March 23, 2023 to May 17, 2023: 2 meetings**

- Associate Professor Dr. Narongdech Srukhsosit  
Attended 2 meetings
- Dr. Prasert Sinsukprasert  
Attended 2 meetings

**May 18, 2023 to November 16, 2023: 7 meetings**

- Mr. Phongsthorn Thavisin  
Attended 7 meetings
- Associate Professor Dr. Narongdech Srukhsosit  
Attended 7 meetings
- Dr. Prasert Sinsukprasert  
Attended 7 meetings

**November 17, 2023 to December 14, 2023: 1 meeting**

- Mr. Chatchai Phromlert  
Attended 1 meeting
- Mr. Chansin Treenuchagron  
Attended 1 meeting

**December 15, 2023 to December 31, 2023: No meeting held**

## Performance Highlights

**1. Supervised Risk Management to Ease Business**

**Impacts:** Key global situations that may affect PTT Group's business operations were monitored. PTT has proactive measures focusing on management to lower the likelihood of all risk incidents, with reactive measures if a risk event occurs to minimize the impact on organizational goals. It defined comprehensive risk management plans for all situations. In 2023, the "Risk Appetite Statement" was adjusted to be in line with the changing circumstances to ensure that PTT's risk management process is appropriate and effectively implemented.

**2. Oversaw Corporate Stakeholder Management:** This was designed to make such management complete and embrace comprehensive management of all stakeholders. Comments and suggestions were given as follows:

- 2.1 Summary of 2022 Stakeholder Relationship Management comprising a summary of stakeholder management and stakeholder survey results
- 2.2 Stakeholder Management Quarterly Report (2023)
- 2.3 Stakeholder Strategy and Direction (2024 - 2028) comprises stakeholder management direction, objectives, and scope, including corporate issues



This included the drive for implementation by all functions and monitoring of operations and outcomes of management assessment. ERMIC also provided comments and advice for goal achievement.

### 3. Supervised the Management of Corporate

**Innovations:** To ensure a complete innovation management process with efficient and systematic innovation and technology management for increased innovation effectiveness that meets PTT's strategic objectives and core goals, as well as resource optimization, thereby contributing to sustainable growth, the following matters were endorsed by ERMIC:

- 3.1 Innovation Management Quarterly Report (2023)
- 3.2 PTT innovation Management Policy
- 3.3 PTT innovation Management Master Plan (2024 - 2028)

This included driving, giving comments and suggestions for PTT's innovation management to achieve tangible results and leveraging business in line with the purpose.

### 4. Steered Customer and Market Management:

To ensure the implementation of the customer and market management framework achieve the specified goals and align with the business direction by endorsing the following matters:

- 4.1 Customer and Market Management Quarterly Report (2023)
- 4.2 Customer and Market Management Strategy (2024 - 2028)
- 4.3 Customer Support and Complaint Management

ERMIC pushed and provided feedbacks and recommendations on PTT's customer and market management to enhance efficiency and create long-term satisfaction and engagement for all customers, which will contribute to the sustainability of the business in the future.

### 5. Considered and Commented on Complex Business Contracts and Large-scale Investments:

ERMIC rigorously considered risk issues and risk management practices, advised on the pros and cons of business

decisions to make the investment worth the opportunity cost and suitable for the business context, as well as carefully commented on current and new businesses PTT wants to grow in the future in line with its strategic business direction before submitting for Board's approval.

### 6. Closely Monitored Corporate Risk Management every Quarter in 2023:

ERMIC advocated leading and lagging Key Risk Indicators (KRIs) and counseled management on the improvement of its management practices by revising risk management plans in line with prevailing business strategies and contexts. Finally, ERMIC reported its performance results to the Board. This year, ERMIC urged and closely monitored the outcomes of price hedging processes under highly volatile markets of PTT and PTT Group companies with continuous monitoring under highly volatile market conditions.

### 7. Screened the List of 2024 Corporate Risks and Sought Approval of the Board:

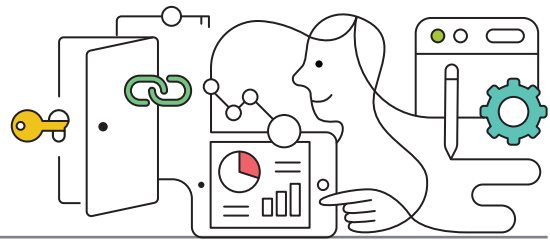
To this end, a list of corporate risk items and risk management plans was integrated with the preparation of the annual corporate plans. Risk management plans have thus become more explicit and aligned with corporate business directions, strategies, and objectives. Implementation was cascaded throughout the corporation to effectively address the risks.

On the whole, ERMIC and PTT's risk management task force are committed to maintaining and developing the efficiency of risk management for effective and proper performance as well as keeping risks manageable. Ultimately, this would sustainably support long-term business goal achievement amid challenging circumstances.



**Mr. Chatchai Phromlert**  
Chairman of the Enterprise Risk  
Management Committee

## 9. Internal Control and Connected Transactions



### 9.1 Internal Control

PTT emphasizes continuous improvement of internal control systems by adopting the international standard of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to achieve these objectives: Operation, Reporting, and Compliance.

In the Board Meeting No. 12/2023 on December 21, 2023, with all 14 directors (12 independent directors, 3 of whom were on the Audit Committee) in attendance, the Board assessed PTT's internal control system through screening and review of assessment results from the Corporate Governance and Sustainability Committee and the Audit Committee and concluded that 5 elements of PTT's internal control system, namely Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring and Evaluation Activities are adequate and suitable. The Company has provided sufficient personnel for efficient operation, reports are accurately and reliably prepared. Business operations comply with relevant laws and regulations, with a system to protect the company's assets and PTT Group from being wrongfully used by directors or executives or without authority, including transactions with persons who may have conflicts and connected persons.

PTT has further improved its procedures and systems to support internal control and ensure the efficient and speedier system's detection of problems or risks. PTT's internal control system can be summarized by COSO components as seen below:

# Internal Control



## (1) Control Environment

PTT commands a sound overall control environment that is adequate for business efficiency and effectiveness. Its executives have promoted a corporate culture focusing on integrity and ethics as role models with the following implementations:

- The Board and executives take the control environment and corporate culture seriously by defining policies for internal control, risk management, corporate governance (CG), anti-fraud and corruption, compliance, and giving and receiving of gifts, assets, or other benefits. These policies are announced for all to acknowledge, observe, and train with both internal and external public relations organized. Regular monitoring and assessment are in place. The Board, executives, and employees must acknowledge such guidelines in writing and conform to the Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook (CG Handbook) and adapt for the better. Activities to raise awareness and enhance the CG atmosphere were organized such as PTT Group CG Day and GRC Forum in a hybrid format to support executives and employees who are interested in participating in activities across all regions. In addition, in 2023, GRC Knowledge Awareness Workshop was added to build GRC knowledge and understanding. Examples were also linked to the performance of different groups of employees.
- Emphasized integrity and ethics as a part of the SPIRIT corporate values to stress transparent business conduct and collaboration in the power of virtue, which explicitly embraced their everyday duties, decision-making, and treatment of all stakeholders, including suppliers and partners, customers, and third parties. PTT values equitable treatment based on fair competition, mutual respect of rights, and nurturing of relations and cooperation.
- Set good corporate governance as a part of the organization's vision, mission, and values by considering the 3 aspects of balance which include Environmental, Social, and business operation under Governance principles (ESG) and a balanced stakeholder management with the strategy of PTT Group Sustainability with Business Integrity as a part of the operation.

- Company structure is based on the “Three Lines Model” management approach focusing on ensuring everyone's understanding and strictly complying with regulations, duties, and responsibilities. To this end, it aims at prevention and solution by those on the job, systematic operation with total segregation of authority for approval, review of the inspection, and verification and stewardship of assets, which results in effective checks and balances. In addition, Office of Corporate Audit has a clear and independent reporting direct to the Audit Committee, which is marked by the decentralization of power to business units, thus giving due flexibility to communication for their duties and responsibilities.
- PTT defines a written policy and procedure for human resource (HR) evaluation and development, including procedures for planning and administering the overall workforce in both short and long terms. In place are an annual analysis and revision of manpower as well as analysis, planning, and definition of key succession processes by defining policies, regulations, tools, selection, assessment of potential and plans for developing those in the Potential Pool for key positions. In addition, PTT has adjusted the Core Competency to align with the new vision for the potential of the development plan and employee preparation in terms of necessary knowledge, skills, and experience to be able to drive the company to efficiently achieve the projected goals.

## (2) Risk Assessment

PTT recognizes the importance of risk management to achieve business objectives as well as those of compliance and preparation of credible reports under changes that impact its businesses due to internal and external factors. It views risk management as a critical component of every business process that must be interconnected.

- PTT defines corporate risk management policy for all to conform to. At every level, risks are to be assessed, including those of anti-fraud and corruption by applying risk management approaches according to international standards of COSO ERM - 2017. For corporate risks, management is systematically undertaken. The Enterprise Risk Management Committee (ERMC) is set up to steer and support corporate risk management in line with business strategies and goals as well as shifting circumstances and provides advice on guidelines for monitoring and assessment to the Corporate Plan and Risk Management Committee (CPRC) to manage overall risks for maximum efficiency. It is the responsibility of all units to manage and control risks to manageable levels (risk appetite), as clearly stated in the functional descriptions of all units. In 2023, the Risk Management Dashboard (RMD) was developed for corporate risk management.
- The Business Continuity Management (BCM) process is applied to crisis management to assess guidelines for business, workforce communication and preparation of resources and business processes for employees' uninterrupted and safe work without impacts on key goals. In addition, PTT holds annual crisis management and business continuity training to ensure the readiness of emergency management.

### (3) Control Activities

PTT has set a variety of control activities to manage the Company's risks to an acceptable level. Control activities with technological systems are being developed. Expectations and procedures are defined for the implementation of established policies as follows:

- PTT Management Committee (PTTMC) reviews financial and non-financial reports of all business groups and regularly reviews performance to ensure conformance to regulations, protocols and job manuals. PTT defines written policies and procedures. Portions of businesses have been identified for key risks, and mechanisms have been defined to control and minimize errors. Regular performance reviewed by the management are in place, including financial, procurement and general administrative transactions.
- Systematic delegation of duties to personnel groups ensures proper checks and balances. Authority is duly and fully segregated for approval, information compilation, transaction recording, receipt and disbursement of cash, reviews of inspection and stewardship of properties. In place is an internal control system for finance and accounting, with complete, accurate and regular recording. Systematic and consistent storage of accounting documents both documents and information are in place to comply with the law. Should PTT engage in transactions with the major shareholder, directors, executives, or their related parties, it would apply strict measures to ensure that each such transaction secures required approval every time and every transaction. Parties with vested interests will not take part in the approval of such an item. PTT also closely monitors subsequent actions.
- PTT Group Way of Conduct serves as a mechanism and guidelines for steering the policies and business conduct of PTT Group. Multi-level Governance ensures a single implementation standard for all. The internal control policy is grouped under strategic alignment with a report submitted to PTT annually. Site visits to PTT Group companies are arranged to engage in sharing, counseling and recommending ideas on internal control development, including GRC and PTT Group Way of Conduct. Guidelines for operations are prepared to ensure adequacy and suitability in line with business operations for newly established companies.
- Policies, regulations and procedures are constantly reviewed to ensure their suitability, for example, PTT Corporate Governance Policy, PTT Anti-Fraud and Corruption Policy, Corporate Governance, Ethical Standards and Code of Business Ethics Handbook (CG Handbook), Fraud and Corruption Risk Assessment Manual, regulations for finance and accounting, procurement, etc. to comply with laws, rules, regulations, including risks and current situations. In 2023, PTT's Anti-Corruption Policy and CG Handbook were revised by adding details of guidelines on hiring or appointing government officials to prevent the risk of fraud and corruption related to conflicts of interest that may result in impartial performance of duties.

- A third-party screening manual and PTT's blacklist criteria were launched on March 1, 2023, to ensure that PTT's business operations are based on transparency, fairness, accountability and transparency measures in transactions with third parties. PTT's blacklist criteria are publicized to PTT's stakeholders through PTT Website, and supplier seminars, as well as stipulated in PTT's scope of work standards. In addition, in place is a database system for monitoring the transparency of third parties as a center for searching information according to blacklist criteria.
- PTT has implemented guidelines according to ISO/IEC 38500 standards by preparing digital policies, digital standards, and enterprise architecture governance guidelines covering the enterprise architecture management process under the framework of the Open Group Architecture Framework (TOGAF) and the Digital Government Development Agency (DGA). An Enterprise Architecture Working Group was set up to be responsible for overseeing the acquisition, development and maintenance of technological systems as appropriate. Regulations on information security in controlling, developing, or modifying computer systems (Change Management) were in place, with the practical guidelines embracing various work procedures, including requesting, testing, and migrating for actual applications and major system maintenance, e.g., data backup. Also in place is IT Security Policy compliance for controlling key infrastructure, including the security of network systems and operation centers and access control to wireless networks.
- Operations controlled by information technology systems in line with regulations and requirements through ERP system, procurement, PTT Bid Submission system and expense disbursement system are designed. Robotic Process Automation (RPA) has been introduced to enhance efficiency and reduce manual operation e.g. information verification before account closure and information review before billing.
- Aware of cyber threats, PTT organized a test activity to raise awareness among employees by sending phishing e-mails to convince users to open files or fill in username/ password information, which is considered a behavior that highly increases the risk for the organization. At present PTT conducts this test every two months and provides solutions to make employees aware and recognize cyber threats so that they do not fall victim easily. If an e-mail is suspected to be fraudulent, problems must be reported or questions can be raised via E-mail Servicedesk or PTT Digital Call Center or press the automatic report button from PTT's e-mail application immediately.
- PTT values the supervision of sustainability management together with security, safety, health, and environment (SSHE), all of which are likened to a vital shield against risks or impacts and efficiently as well as effectively lowering potential losses suffered by all stakeholders, assets, work processes, data and the surroundings. This would bring about business sustainability while extending performance in all aspects of excellence for vision and goal attainment. In 2023, tools and processes for sustainability management are defined in Section 9.2 Strategic Sustainable Development and Section 9.3 Sustainable Development Report in the "State Enterprise Assessment Mode: Core Business Enablers" required by the State Enterprise Policy Office. In the sustainability management governance structure, the Board supervises, monitors, and provides policies as well as recommendations on sustainability management and SSHE; the Corporate Governance and Sustainability Committee (CGSC) reviews, orders, and comments on the implementation outcomes of strategy, plan, key sustainability and SSHE goals and indicators every quarter. PTT Management Committee, led by the President & CEO, monthly screens, orders and comments, supported by subcommittees at the management level for specific matters and management practices at the strategic level and operating level for sustainability and SSHE, namely

Governance, Risk and Compliance Management Committee (GRCMC), PTT Group Sustainability Management Committee (GSMC) and Corporate Plan and Risk Management Committee (CPRC). To this end, centralized departments are Good Governance and Corporate Ethics Department, Sustainability Strategy Department and Corporate Planning and Budgeting Departments. **Details about sustainability management and SSHE management appear under Section 1 “Business Operations and Performance”, Subsection 3 “Driving Business towards Sustainability” of this 56-1 One Report, and “Sustainability” on PTT Website.**

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## (4) Information & Communication

PTT has a framework in place to ensure that processes related to information system development are efficient and transparent, including ensuring compliance with laws and regulations, along with managing risks from cybersecurity threats continuously, as follows:

- Announced the Digital Policy, Information Security Management Policy, Cyber Security Policy, and Personal Data Protection Policy to enable organizations to use digital technology for enhanced efficiency and create added value in business operations for continuous growth, agility, promptness, transparency and safety according to good governance principles.
- Established information security requirements that cover website security and internet usage, security of work equipment, cyber threat management procedures, as well as vulnerability assessment (VA) for all work systems.
- Specified digital standards to serve as guidelines for PTT employees for the highest standard and efficiency in all aspects, including information equipment, software, machine standards, information systems, system development, infrastructure security, training as well as service level agreements, for PTT's maximum benefits and effectiveness.
- Set standards related to information security of PTT's information, communication network, and equipment, as well as management of abnormal incidents and technology problems. All these make for PTT's information system to be protected against threats with efficient cyber risk management.
- Internationally operated according to Information Security Management Systems (ISMS) or ISO/IEC 27001 and Privacy Information Management System (PIMS) or ISO/IEC 27701. The policy is formulated with systematic practices covering all important processes, both Information Technology (IT) and Operation Technology (OT).
- Supervised and administered information and cyber security systems in accordance with the Code of Practices and Standard Framework on Cyber Security for government agencies and critical information infrastructure agencies under the cybersecurity framework of the National Institute of Standards and Technology (NIST).
- Closely monitored, measured, and supervised the cybersecurity operations of the Cyber Security Operation Center (CSOC) operated by PTT Digital Solutions Co., Ltd., which provides cybersecurity services and operations to PTT Group companies on a monthly basis.
- Specified cyber resilience as a corporate strategy. The indicator is that PTT must have zero cybersecurity incident scenarios or be able to take action to contain damage from cyber security incidents within the specified Mean Time to Contain (MTTC) period as follows:
  - People: Establishing employee awareness plans and testing security awareness with phishing e-mails.
  - Process: Compliance with ISO 27001 Cyber Insurance Disaster IT recovery plan, Cyber drill, and Incident Management. Elevate the Cyber Attack drill from Table Top to Full Live to test the system and the ability of employees to respond.

- Technology: 24-hour surveillance of IT threats by the Cyber Security Operation Center (CSOC) and installation of a Data Loss Prevention (DLP) system to prevent the transmission of personal data outside the organization. Measures to lower the violence level include the preparation of work plans and forms of business continuity management plan drills to cover emergencies from cyber threats, preparation of threat response plans to threats and cyber anomalies to be able to respond, communicate, and report the incident to relevant parties in a timely manner.
- Provide multiple channels for communication with external stakeholders through the Company's website and social media, as well as having directly responsible agencies to regularly disclose important information to stakeholders. PTT has a Call Center 1365 to serve as a comprehensive information center. Shareholders are allowed to propose agenda items for the AGM and nominate qualified persons to be considered for election as company directors in advance to strengthen good corporate governance regarding the rights and equitable treatment of shareholders.
- Establish the provision on complaints and whistleblowing of fraud and malpractice, misconduct and non-compliance with laws, rules, and organizational regulations B.E. 2565 (2022). This provision covers whistleblowing channels for informing malpractice, misconduct, and non-compliance with laws, rules, and organizational regulations through the Company's website, e-mail and letter, with clearly stated protection of whistleblowers. This is to ensure that employees and third parties can be confident that complaints will be considered transparently, honestly, fairly, and confidentially within a reasonable time. The Governance, Risk and Compliance Management Committee (GRCMC) is assigned to manage oversight, and operate PTT's Anti-Corruption Operation Center in State Enterprises, responsible for supervising and monitoring the progress of corruption complaints and reporting the results to PTT's President, Corporate Governance and Sustainability Committee and Audit Committee.

The quality of information and communication is an important part of ensuring that internal control can be carried out effectively. Information is disclosed and communicated through various channels to executives, employees at all levels and external stakeholders. PTT has a channel to report information or clues about fraud or corruption to the Company safely. Information and communication management guidelines are as follows:

- Manage data by defining a layer of data confidentiality. Establish guidelines for storing important documents and control documents as well as internal and external operational information to ensure that important information related to the Company's business operations is accurate, complete, and sufficient for operation and timely use. Furthermore, there are an efficient data analysis and storage system to ensure that the information used is reliable and sufficient. This includes managing the use of personal data in accordance with the Personal Data Protection Act B.E. 2562 (2019).
- Establish multiple channels for internal communication, including communication from senior management to employees through activities, e.g. Town Hall, communication via the Company's intranet, e-mail, providing important information to new employees through orientation activities, and providing useful operational knowledge through the Learning Management System.



## (5) Monitoring & Evaluation Activities

PTT commands a process for monitoring and assessing the adequacy of internal control and defines guidelines for improvement to ensure system efficiency and effectiveness:

- Arranged for Conflict of Interest Report annually and when there is a case, and jointly analyzed with the Procure-to-Pay Process by using Continuous Control Monitoring and Auditing System (CCMS) to review items that may have significant conflicts.
- Regularly evaluated internal control efficiency and effectiveness at least once a year by requiring senior executives to conduct control self-assessment according to their roles and responsibilities assigned through the E-CSA form (Control Self-Assessment) and requiring all departments and direct-report divisions to conduct this self-assessment according to the GRC (Governance, Risk, and Compliance) guidelines as well as developing plans to improve internal controls in high-risk processes, and follow up on such improvements. Reports are to be regularly submitted to the Board.
- The Board and executives regularly monitor implementation reports of strategic plans, laws, rules, and regulations of PTT and PTT Group.

This year, the Office of Corporate Audit also reviewed internal control processes to ensure that they are adequate, suitable, and consistently practiced. If a given item needed improvement, procedures would be discussed with management to define implementation guidelines along with improvement plans to prevent or minimize risks and monitor execution to ensure that audit and review findings are promptly remedied. This is reported every quarter to the Audit Committee, indicating that PTT's internal control system for this year is adequate, efficient, and effective, a view shared by the external auditor.

## Internal Audit System

The Office of Corporate Audit is an independent unit that directly reports to the Audit Committee. It fosters assurance and provides advice to ensure that business processes are duly equipped with efficient good corporate governance risk management, and internal control practices in support of corporate objectives.

The Office commands an annual audit plan and three-year audit plans in line with PTT's business strategic direction and a risk-based approach to key corporate risks, encompassing PTT Group's domestic and oversea businesses. It reports to the Audit Committee for consideration and forwards them to the Board for acknowledgment every quarter. Regular monitoring is undertaken for actions in response to the office's recommendations. In its course of work, the office freely expresses its opinions. No conflicts have been arisen between audited units and the Office that cannot be resolved.

## Head of the Office of Corporate Audit

In meeting No. 10/2022 on October 27, 2022, the Board appointed Mr. Chayagorn Leangruenrom, Executive Vice President, Office of Corporate Audit, with effect from November 1, 2022, citing his mastery of PTT's business. Equipped with knowledge, skills and experience in internal audit, he is familiar with the business undertaking, good governance, risk assessment, and internal control at the business and overall levels and was therefore regarded as suitable for the position. The Audit Committee approved the appointment, transfer, performance assessment, and annual merit pay increase of this position.

## Biography of the Head of the Office of Corporate Audit



**Mr. Chayagorn Leangruenrom**

**Age: 55**

### Education

- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Master of Business Administration, Kasetsart University

### Training

- Anti-Corruption for Executive Program (ACEP 7/2013), Corporate Governance for Executives Program (CGE 19/2022), Subsidiary Governance Program (SGP Online 1/2022), Thai Institute of Directors Association (IOD)
- Leadership Development Program II, PTT-Harvard Business School, PTT Leadership and Learning Institute (PLLI)

- Public-Private Partnerships for Executives Program (PEP) Class 8, Institute of Research and Development for Public Enterprises (IRDP)
- Corporate Governance for Directors and Senior Executives of Regulators, State Enterprises and Public Organizations (PDI) Class 24, King Prajadhipok's Institute
- Advanced Management Program (AMP) 3 - Business & People Management, PTT Leadership and Learning Institute (PLLI)
- Senior Executive Program, Capital Market Academy (CMA) Class 32
- New Chief Audit Executive Training Program for the Development of Internal Audit Practitioners for Government Agencies in the 2023 Fiscal Year, Class 2, The Comptroller General's Department

### Working Experiences (Past 10 years)

- 2022 - Present  
Executive Vice President,  
Office of Corporate Audit, PTT
- 2020 - 2022  
Executive Vice President,  
Corporate Governance, PTT
- 2019 - 2020  
Vice President,  
Natural Gas Marketing Department, PTT
- 2016 - 2019  
Vice President, Project Director,  
Myanmar - Thailand LNG Receiving Terminal, PTT
- 2016 - 2016  
Vice President, Internal Audit Department, PTT
- 2013 - 2016  
Vice President, Subsidiary Audit Department, PTT
- 2011 - 2013  
Vice President, Internal Audit Department, PTT

### Key Related Directorship

- -None-

### Relations with the Management

- -None-

## Compliance Unit

PTT has assigned “Compliance Department” to govern legal and regulatory compliance of PTT with detailed roles, duties, and responsibilities defined in the Compliance Charter. Currently, it is under Executive Vice President, Corporate Governance, and supervised by Senior Executive Vice President, Organization Effectiveness and Corporate Governance (biography shown in Information of Executives Section), and indirectly reporting to the Governance, Risk and Compliance Management Committee (GRCMC) and the Corporate Governance and Sustainability Committee (CGSC), respectively. PTT launched the “Compliance Policy” and “Compliance Framework” for directors, management, and employees to adhere to as their work principles in accordance with relevant laws and regulations.

Compliance Department centralizes corporate compliance and oversees all personnel and all business units under PTT to fully comply with laws, rules, regulations, directives, procedures and announcements controlling all facets of PTT businesses. Supervisory procedures e.g. monitoring, compiling, and communicating new laws, risk assessment, operational supervision and review, and consultation are defined. This is to ensure that PTT’s business operations comply with laws and regulations. PTT has integrated compliance work with regulatory units with specific laws and regulations within PTT (2<sup>nd</sup> Line).

Compliance Department also constantly develops and nurtures compliance culture by launching GRC Survey: Compliance to assess the compliance culture of PTT’s management and employees to analyze the scores and develop a plan to effectively promote and develop compliance culture, able to develop and improve on the spot in depth. Exchange of views and opinions on legal and regulatory problems and obstacles legal as well as consultation, support to units in complying with laws and related regulations, supporting the promotion of corporate compliance culture, especially promoting the role model of executives and supervisors. This includes guidelines for behaving and working in accordance with laws and regulations through various channels such as internal e-mail, preparation of learning materials in the form of online learning, preparation of a summary of important laws in the form of infographics, dissemination of Compliance Policy and Compliance Framework in handbook and cartoon infographics. PTT personnel has also been encouraged to adhere to laws and regulations, corporate governance, and business ethics through Tone from the top which communicated key messages from top management as food for thought, direction, or practices via video clips to promote compliance culture from top management. The working atmosphere is enhanced to bring employees closer to the management through internal publicity throughout the organization.

In addition, management of non-compliance incidents is also undertaken by collecting, analyzing, reviewing non-compliance cases (if any), and follow-up to improve the operational process and find ways to prevent and reduce the chance of non-compliance repeated in the future. PTT also sets a goal of becoming a Zero Non-Compliance organization by reviewing and setting indicators for measuring results. The annual performance of various departments must comply with laws and regulations by setting up the Corporate KPI: Non-Compliance, which measures the result by not finding any material errors from the complaints (both inside and outside PTT) that are considered fraudulent, malpractice, or misconduct, serious disciplinary action and unlawful acts with final punishment orders or written notices of illegal acts by legal regulators. In 2023, no non-compliance with a significant impact or legal liability to PTT in any way was found.

The aforementioned implementation of compliance supervision is aimed at fostering values and culture in compliance with laws and regulations, enhancing PTT personnel's knowledge and understanding of key laws related to their responsibilities and awareness of potential impacts of non-compliance with laws and regulations, including being able to work properly and adhering to strict compliance with laws and regulations, and to ensure that PTT's business operations will not be interrupted by legal compliance risks. The aim is to make PTT's operations sustainably achieve the goal of "Zero Non-Compliance".

In addition to conducting the aforementioned compliance supervision, the Compliance Department also acts as PTT's DPO Office, with a personal data protection policy disclosed on the public disclosure page on PTT Website (<https://www.pttplc.com/>). Also in place are Personal Data Protection guidelines to provide PTT's operations related to the personal data of various groups of stakeholders, including personal data of customers, business partners, and business related parties to have a regulatory process and appropriate operational guidelines. This is to ensure that PTT's personnel know how to treat personal data and can correctly perform their work in accordance with such laws. In addition, relevant stakeholders can be assured that PTT will protect and treat personal data under PTT's control under the Personal Data Protection Act B.E. 2562 (PDPA) as well as having a "Privacy Center" on PTT Website <https://pttpdpa.pttplc.com/> to provide a channel for various groups of stakeholders who own personal data to know the details of the processing of personal data and to manage the exercise of privacy rights.

## 9.2 Connected Transactions

The connected transactions during 2021 - 2023 are summarized below:

### 9.2.1 Connected Transactions with Shareholders

The Company had no connected transactions with shareholders during 2021 - 2023.

### 9.2.2 Connected Transactions between PTT and Parties with the Common Major Shareholder

Connected Transactions between PTT and parties with the common major shareholder with potential conflicts are summarized below:

Connected Transactions	Unit: THB million		
	2021	2022	2023
<b>Items from the Income Statement</b>			
Sales and service income	67,980	116,664	111,292
Cost of goods purchased and services	1,215	1,328	1,681
Other income	41	85	149
Interest income	24	67	38
Other expenses	322	87	304
<b>Items from Statement of Financial Position</b>			
Trade accounts receivable	6,767	16,644	13,570
Other accounts receivable	-	134	-
Short-term advance payment	-	3	4
Trade accounts payable	27	16	27
Other accounts payable	387	283	62

As of December 31, 2023, PTT was related to various parties by having a common major shareholder. Key relationships and related items are as follows:

Party with the Common Major Shareholder	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
Electricity Generating Authority of Thailand (EGAT)	Ministry of Finance, PTT's major shareholder, has control over EGAT.	<b>Items from the Income Statement</b>			
		Sales and service income	63,632	110,538	104,943
		Cost of goods purchased and services	-	-	1
		Other income	-	31	82
		Other expenses	319	5	-
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	6,289	16,010	13,042
		Other accounts receivable	-	1	-
		Other accounts payable	313	1	1
Provincial Electricity Authority (PEA)	Ministry of Finance, PTT's major shareholder, has control over PEA.	<b>Items from the Income Statement</b>			
		Sales and service income	223	331	458
		Cost of goods purchased and services	931	910	1,028
		Other income	14	21	33
		Other expenses	-	1	3
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	19	31	18
Port Authority of Thailand (PAT)	Ministry of Finance, PTT's major shareholder, has control over PAT.	<b>Items from the Income Statement</b>			
		Sales and service income	852	979	983
		Cost of goods purchased and services	-	4	15
		Other income	2	2	2
		Other expenses	-	-	4
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	74	104	76

Party with the Common Major Shareholder	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
State Railway of Thailand (SRT)	Ministry of Finance, PTT's major shareholder, has control over SRT.	<b>Items from the Income Statement</b>			
		Sales and service income	1,519	2,491	2,618
		Cost of goods purchased and services	3	38	168
		Other income	15	21	23
		Other expenses	-	-	3
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	154	239	198
		Other accounts payable	44	131	51
		<b>Items from the Income Statement</b>			
		Sales and service income	1,395	1,755	1,729
Bangkok Mass Transit Authority (BMTA)	Ministry of Finance, PTT's major shareholder, has control over BMTA.	Other income	5	5	5
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	179	207	190
		<b>Items from the Income Statement</b>			
		Sales and service income	32	40	40
Metropolitan Electricity Authority (MEA)	Ministry of Finance, PTT's major shareholder, has control over MEA.	Cost of goods purchased and services	261	306	347
		Other expenses	1	-	-
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	3	1	1
		<b>Items from the Income Statement</b>			
The Transport Co., Ltd.	Ministry of Finance, PTT's major shareholder, has control over The Transport Co., Ltd.	Sales and service income	169	320	362
		Other income	1	1	1
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	30	37	34
		<b>Items from the Income Statement</b>			



## 9.2.3 Connected Transactions among PTT and Subsidiaries, Joint Operations, Joint Ventures, Associates and Other Related Parties

Transactions among PTT and subsidiaries, joint operations, joint ventures, associates, and other related parties are summarized below:

Connected Transactions	Unit: THB million		
	2021	2022	2023
<b>Items from the Income Statement</b>			
Sales and service income	703,963	1,312,239	1,164,259
Cost of goods purchased and services	319,370	598,769	570,407
Other income	4,718	9,313	28,435
Interest income	1,278	1,852	1,657
Other expenses	3,807	4,331	4,108
Interest expenses	2,080	2,366	2,364
<b>Items from Statement of Financial Position</b>			
Trade accounts receivable	60,833	92,024	87,067
Other accounts receivable	1,958	2,139	2,776
Short-term advance payment	10	32	34
Current portion of finance lease receivable	-	-	67
Short-term lending	4,279	2,044	35,844
Long-term finance lease receivable	-	-	103
Long-term lending	119,596	56,067	21,020
Trade accounts payable	35,840	54,716	58,137
Other accounts payable	7,372	4,592	7,431
Current portion of lease liabilities	434	508	573
Short-term borrowings	7,217	9,447	18,297
Lease liabilities	2,697	2,531	2,406
Long-term borrowings	49,490	50,260	49,379

As of December 31, 2023, PTT was related to companies by holding shares or having common shareholders or common directors. Key relationships and related items are as follows:

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTT Exploration and Production Plc. (PTTEP)	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 65.29% of PTTEP's shares)</li> <li>PTT's director/ executive, Mr. Auttapol Rerkpiboon, is PTTEP's directors.</li> <li>PTT's executive, Mr. Wuttikorn Stithit, is PTTEP's director.</li> <li>PTT's executive, Mr. Montri Rawanchaikul, is a director, &amp; the Board's secretary, and Chief Executive Officer of PTTEP.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	4	5	1
		Cost of goods purchased and services	99,569	125,870	79,617
		Other income	81	116	103
		Other expenses	41	63	44
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	1	-	-
		Other accounts receivable	25	35	60
		Trade accounts payable	10,269	12,960	11,193
		Other accounts payable	21	22	34
PTT Global Chemical Plc. (GC)	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 48.18% of GC's shares)</li> <li>PTT's executives, namely Mr. Noppadol Pinsupa, Mr. Chadil Chavanalikhikorn, Mr. Cherdchai Boonchoochaay, are GC's directors.</li> <li>PTT's executive, Mr. Kongkrapan Intarajang, is a director &amp; the Board's secretary, and President &amp; CEO of GC.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	271,569	376,062	341,818
		Cost of goods purchased and services	19,591	12,894	19,424
		Other income	541	1,010	1,042
		Interest income	-	1	-
		Other expenses	12	53	13
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	19,532	21,030	21,352
		Other accounts receivable	9	81	270
		Trade accounts payable	2,430	1,386	2,668
		Other accounts payable	32	36	35

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
IRPC Plc. (IRPC)	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 48.05% of IRPC's shares)</li> <li>PTT's executives, namely Miss Peangpanor Boonklum, Mr. Chansak Chuenchom, Mr. Prasong Intaranongpai, are IRPC's directors.</li> <li>PTT's executive, Mr. Kris Imsang, is a director &amp; the Board's secretary, and President &amp; CEO of IRPC.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	164,665	240,239	219,031
		Cost of goods purchased and services	177	1,439	3,009
		Other income	1,493	2,573	2,542
		Interest income	-	2	-
		Other expenses	20	24	30
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	10,201	14,907	13,270
		Other accounts receivable	108	285	344
		Trade accounts payable	19	1,442	939
Thai Oil Plc. (TOP)	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 48.00% of TOP's shares)</li> <li>PTT's executives, namely Mr. Buranin Rattanasombat, Miss Pannalin Mahawongtikul, Mr. Terdkiat Prommool, Mr. Suchat Ramarch, are TOP's directors.</li> <li>PTT's executive, Mr. Bandhit Thamprajamchit, is a director &amp; the Board's secretary, and CEO &amp; President of TOP.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	114,454	382,479	324,037
		Cost of goods purchased and services	65	1,233	691
		Other income	265	2,377	3,137
		Other expenses	88	301	14
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	12,845	39,281	25,625
		Other accounts receivable	61	181	147
		Trade accounts payable	-	1,256	578
		Other accounts payable	3	121	6

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTT Oil and Retail Business Plc. (OR)	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 75.00% of OR's shares)</li> <li>PTT's director/ executive, Mr. Auttapol Rerkpiboon, is OR's Chairman of the Board.</li> <li>PTT's executives, namely Dr. Buranin Rattanasombat, Mr. Terdkiat Prommool, are OR's directors.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	28,583	39,156	39,506
		Cost of goods purchased and services	16,305	18,789	17,156
		Other income	1,148	1,114	1,327
		Interest income	-	18	1
		Other expenses	784	671	790
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	3,114	2,452	2,671
		Other accounts receivable	736	239	283
		Current portion of finance lease receivable	-	-	68
		Long-term finance lease receivable	-	-	102
		Trade accounts payable	3,240	3,841	3,101
		Other accounts payable	2,117	1,581	1,419
		Current portion of lease liabilities	-	-	1
		Lease liabilities	-	-	1
Global Power Synergy Plc. (GPSC)	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 75.23% of GPSC's shares)</li> <li>PTT's executives, namely Mr. Wuttikorn Stithit, Mr. Noppadol Pinsupa, Miss Pannalin Mahawongtikul, M.L. Peekthong Thongyai, Mr. Kongkrapan Intarajang, Mr. Bandhit Thamprajamchit are GPSC's directors.</li> <li>PTT's executive, Mr. Worawat Pitayasiri, is a director &amp; the Board's secretary, and President &amp; CEO of GPSC.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	12,372	19,489	15,387
		Other income	107	90	83
		Other expenses	-	4	5
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	1,373	1,724	1,237
		Other accounts receivable	32	22	24
		Other accounts payable	1	1	1

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTT LNG Co., Ltd. (PTT LNG)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, Mr. Wuttikorn Stithit, is Chairman of the Board of PTT LNG.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	274	1,300	582
		Cost of goods purchased and services	9,403	9,554	12,426
		Other income	59	292	84
		Other expenses	-	8	10
		Interest expenses	3	5	20
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	31	40	37
		Other accounts receivable	20	90	25
		Trade accounts payable	837	873	1,310
		Other accounts payable	-	1	24
		Current portion of lease liabilities	-	2	8
		Short-term borrowings	1,615	1,969	895
		Lease liabilities	-	31	238
PTT Natural Gas Distribution Co., Ltd. (PTTNGD)	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 58.00% of PTTNGD's shares)</li> <li>PTT's executive, M.L. Peekthong Thongyai, is Chairman of the Board of PTTNGD.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	5,625	10,195	7,556
		Cost of goods purchased and services	9	16	17
		Other income	25	25	34
		Other expenses	8	3	-
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	1,358	1,538	1,160
		Other accounts receivable	9	7	28
		Trade accounts payable	-	1	1
		Other accounts payable	5	1	1

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTT International Trading Pte. Ltd. (PTTT)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, Mr. Pongpun Amornvivat, is Chairman of the Board of PTTT.</li> <li>PTT's executive, Miss Jaroonsri Wankertphon, is a director of PTTT.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	24,052	58,665	81,902
		Cost of goods purchased and services	77,740	262,536	240,139
		Other income	211	381	730
		Other expenses	61	145	139
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	2,807	3,887	9,942
		Other accounts receivable	139	123	327
		Trade accounts payable	5,356	15,618	13,513
		Other accounts payable	4	54	8
PTT International Trading London Ltd. (PTTT LDN)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	12,948	27,636	14,849
		Cost of goods purchased and services	19,682	11,722	14,256
		Other income	8	224	80
		Other expenses	37	34	18
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	770	1	-
		Other accounts receivable	360	182	661
		Trade accounts payable	2,789	-	2,801
		Other accounts payable	6	32	3
PTT International Trading USA Inc. (PTTT USA)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	7,025	31,807	25,332
		Cost of goods purchased and services	-	-	1,664
		Other income	-	126	78
		Other expenses	-	-	76
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	-	-	8
		Other accounts receivable	6	6	32
		Other accounts payable	1	119	24

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTT Tank Terminal Co., Ltd. (PTT TANK)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, Mr. Noppadol Pinsupa, is Chairman of the Board of PTT TANK.</li> <li>PTT's executive, Mr. Prasong Intaranongpai, is a director of PTT TANK.</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	119	176	176
		Other income	55	57	68
		Other expenses	(3)	-	31
		Interest expenses	6	5	16
		<b>Items from Statement of Financial Position</b>			
		Other accounts receivable	16	22	22
		Trade accounts payable	6	8	8
		Other accounts payable	1	1	13
		Short-term borrowings	990	1,425	1,915
PTT Global Management Co., Ltd. (PTTGM)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Other income	4	3	16,482
		Interest expenses	3	-	2
		<b>Items from Statement of Financial Position</b>			
		Other accounts receivable	1	1	1
		Other accounts payable	-	-	1
PTT Digital Solutions Co., Ltd. (PTT DIGITAL)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, Mr. Terdkiat Prommool, is Chairman of the Board of PTT DIGITAL.</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	39	36	36
		Other income	138	173	155
		Other expenses	1,068	1,282	1,396
		Interest expenses	-	3	4
		<b>Items from Statement of Financial Position</b>			
		Other accounts receivable	51	63	66
		Short-term advance payment	10	32	24
		Other accounts payable	832	1,017	911
		Current portion of lease liabilities	2	42	56
		Lease liabilities	-	140	137



Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTT Treasury Center Co., Ltd. (PTT TCC)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, Mrs. Chanamas Sasnanand, is Chairperson of the Board of PTT TCC.</li> </ul>	<b>Items from the Income Statement</b>			
		Other income	166	185	178
		Interest income	1,272	1,830	1,656
		Other expenses	1	1	-
		Interest expenses	2,016	2,268	2,218
		<b>Items from Statement of Financial Position</b>			
		Other accounts receivable	255	265	252
		Short-term lending	4,279	2,044	35,844
		Long-term lending	119,596	56,067	21,020
		Other accounts payable	848	877	868
		Long-term borrowings	49,490	50,260	49,379
PTTEP International Ltd.	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	15,573	22,590	21,858
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	2,597	3,876	3,265
		Other accounts payable	32	25	41
PTTEP Siam Ltd.	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	16,807	24,895	19,850
		Other income	1	1	2
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	1,416	1,682	3,264
PTTEP SP Limited	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	7,538	9,649	9,638
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	852	862	1,751

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTTEP Energy Development Co., Ltd.	• A subsidiary (Wholly owned by PTT Group)	<b>Items from the Income Statement</b>			
		Sales and service income	-	2	10
		Cost of goods purchased and services	-	30,257	91,002
		Other expenses	-	14	25
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	-	3,356	8,685
		Other accounts payable	-	27	54
PTTEP MENA Limited	• A subsidiary (Wholly owned by PTT Group)	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	2,847	5,285	-
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	703	-	-
PTTEP Oman E&P Corporation	• A subsidiary (Wholly owned by PTT Group)	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	-	7,534	-
TOP SPP Co., Ltd.	• A subsidiary (Wholly owned by PTT Group)	<b>Items from the Income Statement</b>			
		Sales and service income	4,635	8,033	8,532
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	546	613	1,661
		Other accounts receivable	-	135	-
IRPC Clean Power Co., Ltd.	• A subsidiary (Wholly owned by PTT Group)	<b>Items from the Income Statement</b>			
		Sales and service income	3,949	7,034	5,887
		Other income	23	23	23
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	475	523	1,032
		Other accounts payable	23	23	23

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
Glow Energy Plc.	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 99.83% of shares)</li> <li>PTT's executive, Mr. Worawat Pitayasiri, is a director of Glow Energy Plc.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	9,288	19,312	17,600
		Cost of goods purchased and services	576	684	475
		Other income	1	5	1
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	961	1,260	2,231
		Other accounts receivable	-	2	-
		Other accounts payable	64	48	33
Glow SPP 2 Co., Ltd.	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, Mr. Worawat Pitayasiri, is a director of Glow SPP 2 Co., Ltd.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	5,480	7,914	5,919
		Other income	-	2	-
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	687	754	882
		Other accounts receivable	-	2	-
Glow SPP 11 Co., Ltd.	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, Mr. Worawat Pitayasiri, is a director of Glow SPP 11 Co., Ltd.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	3,469	6,113	5,076
		Other income	1	1	1
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	323	474	845
		Other accounts payable	1	1	1
Amata Natural Gas Distribution Co., Ltd.	<ul style="list-style-type: none"> <li>A subsidiary (PTT Group owns 80.00% of shares)</li> <li>Amata Natural Gas Distribution Co., Ltd's</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	3,062	5,208	4,574
		Other income	2	1	-
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	699	791	727
		Other accounts receivable	-	1	10

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
PTT MEA Ltd.	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	2,415	36,092	20,680
		Cost of goods purchased and services	-	5,871	-
		Other income	-	-	9
		Other expenses	23	25	24
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	1,376	136	1,482
		Other accounts receivable	1	2	3
		Other accounts payable	-	1	13
PTT Global LNG Co., Ltd. (PTTGL)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's executive, M.L. Peekthong Thongyai, is Chairman of the Board of PTTGL.</li> <li>PTT's executive, Mr. Pongpun Amornvivat, is a director of PTT GL.</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	-	67	4,054
		Other income	31	40	59
		Interest expenses	-	-	1
		<b>Items from Statement of Financial Position</b>			
		Other accounts receivable	9	15	23
		Trade accounts payable	-	24	34
		Short-term borrowings	-	56	33
Siam Management Holding Co., Ltd. (SMH)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> </ul>	<b>Items from the Income Statement</b>			
		Other income	1	1	1
		Interest expenses	2	10	16
		<b>Items from Statement of Financial Position</b>			
		Other accounts payable	-	1	2
		Short-term borrowings	893	1,962	1,656

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
Arun Plus Co., Ltd. (ARUN PLUS)	<ul style="list-style-type: none"> <li>A subsidiary (Wholly owned by PTT Group)</li> <li>PTT's director, Professor Dr. Thosaporn Sirisumphand, is Chairman of the Board of ARUN PLUS.</li> <li>PTT's executive, Mr. Cherdchai Boonchoochaay, is a director of ARUN PLUS.</li> </ul>	<b>Items from the Income Statement</b>			
		Other income	20	51	41
		Other expenses	2	5	-
		Interest income	-	2	-
		Interest expenses	5	21	28
		<b>Items from Statement of Financial Position</b>			
		Other accounts receivable	5	32	5
		Other accounts payable	1	1	4
		Short-term borrowings	2,729	1,957	3,195
		<b>Items from the Income Statement</b>			
Andaman Transportation Limited (ATL)	<ul style="list-style-type: none"> <li>A joint operation (PTT Group owns 80.00% of ATL's shares)</li> </ul>	Cost of goods purchased and services	9,214	14,037	14,159
		Other income	1	1	1
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	1,713	2,736	2,238
Moattama Gas Transportation Company (MGTC)	<ul style="list-style-type: none"> <li>A joint operation (PTT Group owns 37.08% of MGTC's shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	14,185	21,174	13,948
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	2,801	3,380	2,084
Orange Energy Co., Ltd. (Orange)	<ul style="list-style-type: none"> <li>A joint operation (PTT Group owns 53.95% of Orange's shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	3,872	5,056	2,375
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	250	564	164
B 8/32 Partners Ltd. (B8/32 Partners)	<ul style="list-style-type: none"> <li>A joint operation (PTT Group owns 25.00% of B8/32 Partners' shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	3,872	5,056	2,375
		<b>Items from Statement of Financial Position</b>			
		Trade accounts payable	250	564	164

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
Trans Thai-Malaysia (Thailand) Co., Ltd. (TTM(T))	<ul style="list-style-type: none"> <li>A joint venture (PTT Group owns 50.00% of TTM(T)'s shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Cost of goods purchased and services	1,443	1,598	1,621
		Other income	26	30	14
		Other expenses	-	-	1
		Interest expenses	43	38	33
		<b>Items from Statement of Financial Position</b>			
		Other accounts receivable	4	7	5
		Trade accounts payable	273	281	290
		Current portion of lease liabilities	431	451	453
		Lease liabilities	2,696	2,336	1,860
District Cooling System and Power Plant Co., Ltd. (DCAP)	<ul style="list-style-type: none"> <li>A joint venture (PTT Group owns 35.00% of DCAP's shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	1,776	3,279	2,693
		Other income	5	7	7
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	218	256	314
		Other accounts receivable	2	37	3
		Other accounts payable	1	1	1
PTT Asahi Chemical Co., Ltd. (PTTAC)	<ul style="list-style-type: none"> <li>A joint venture (PTT Group owns 50.00% of PTTAC's shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	4,847	5,337	4,518
		Other income	5	5	6
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	397	383	422
		Other accounts payable	2	2	3

Related Party	Relationship (As of December 31, 2023)	Connected Transactions	Unit: THB million		
			2021	2022	2023
HMC Polymers Co., Ltd. (HMC)	<ul style="list-style-type: none"> <li>A joint venture (PTT Group owns 41.44% of HMC's shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	6,768	7,993	3,501
		Other income	7	7	3
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	765	132	225
		Other accounts receivable	5	-	-
		Other accounts payable	1	1	1
		<b>Items from the Income Statement</b>			
		Sales and service income	2,512	4,236	3,582
		Other income	3	3	3
Nava Nakorn Electricity Generating Co., Ltd. (NNEG)	<ul style="list-style-type: none"> <li>A joint venture (PTT Group owns 30.00% of NNEG's shares)</li> </ul>	<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	280	308	644
		Other accounts receivable	-	199	-
		Other accounts payable	3	3	3
Bangpa-in Cogeneration Co., Ltd. (BIC)	<ul style="list-style-type: none"> <li>An associated company (PTT Group owns 25.00% of BIC's shares)</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	3,222	5,720	4,764
		Other income	7	7	7
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	367	412	530
		Other accounts payable	7	7	7
Ratchaburi Power Co., Ltd. (RPCL)	<ul style="list-style-type: none"> <li>Other related party (PTT Group owns 15.00% of RPCL's shares)</li> <li>PTT's executive, Mr. Worawat Pitayasiri, is a director of RPCL.</li> </ul>	<b>Items from the Income Statement</b>			
		Sales and service income	6,784	4,671	2,595
		Other income	33	33	33
		<b>Items from Statement of Financial Position</b>			
		Trade accounts receivable	1,259	719	240
		Other accounts payable	32	32	32



## 9.2.4 PTT's Connected Transactions Resulted from the Following Agreements with Key Conditions Being Summarized below:

### (1) Transactions between PTT and State Enterprises

#### Transactions

- **Sales of natural gas**

PTT signed gas sales agreements (GSAs) with a state enterprise, the Electricity Generating of Thailand (EGAT). There were 2 GSAs as follows:

1. GSA between PTT and EGAT, dated June 19, 2020.
2. GSA for Nam Phong Power Plant between PTT and EGAT, dated September 20, 2021.

*Remark:*

*PTT has a liquefied natural gas purchase agreement with EGAT dated October 1, 2021, according to the ERC's resolution, which is applicable from October 2021 until the conclusion of EGAT's liquefied natural gas imports by 2021.*

- **Sales of fuels and petroleum products**

The ministerial regulation prescribing state-promoted or state-supported supply and procurement procedures through the selection and specific procurement methods B.E. 2560 (2017), Division 7, required central and provincial government agencies and state enterprises (excluding EGAT) to purchase state-supported energy and natural resource supply of 10,000 liters or more by specific procurement methods from PTT, or otherwise, they can buy such supply through selection or invitation to bid. Currently, PTT sells fuels to the following state enterprises that still intend to buy fuels from PTT: Bangkok Mass Transit Authority (BMTA), State Railway of Thailand (SRT), EGAT, and The Transport Co., Ltd. As for state enterprises having outstanding payments, PTT could charge interest at the rate according to the contractual terms.

## (2) Transactions between PTT and PTT Exploration and Production Plc. (PTTEP) which is PTT's Subsidiary

### Transactions

PTTEP and its subsidiaries produce and sell crude oil, natural gas, condensate, and liquefied petroleum gas (LPG). PTT was the major buyer of these in 2023 (69% by volume). PTT had a 15 - 30-year long-term natural gas purchase agreement with PTTEP, including annual minimum contractual volume. PTT also engaged in crude oil and condensate supply agreements with PTTEP, while selling natural gas to PTTEP. PTT's petroleum product pricing to PTTEP is consistent with global market prices and identical to the project partners' selling prices to PTT. PTT obtains fuel from PTTEP at competitive standard reference prices and under sensible conditions.

### Normal Business Transactions or Those Supporting Normal Business Transactions

Item		Amount as of December 31, 2023	Justification and Sensibility
<b>1.1 Sale of petroleum products</b>		THB 194,090 million	Pricing of petroleum products aligns with global market prices and is identical to the project partners' selling prices sold to PTT.
Natural gas	777,388.95 million cubic feet		
Crude oil	14.12 million barrels		
Condensate	19.33 million barrels		
Liquefied petroleum gas	59,485.01 metric tons		
<b>1.2 Natural gas as fuels</b>		THB 10.10 million	PTTEP's Board of Directors approved a 5-year (2019 - 2023) fuel supply agreement with PTT. The prices under the agreement were based on competitive standard reference market prices and sensible terms.
Natural gas	26.73 million cubic feet		

### (3) Transactions between PTT and Petrochemical and Refining Affiliates

#### Transactions

PTT signed crude oil, condensate, and feedstock supply agreements, refined and petrochemical product purchase agreements, and gas sales agreements for process feedstock with its petrochemical and refining affiliates. PTT also signed a LPG sales agreement, and service agreement for storage and distribution of refined products, leases and subleases of oil terminals for its subsidiaries in the oil and retail business. The purchase price is the market price.

### (4) Transactions between PTT and its Affiliates of the New Business and Infrastructure Business Group: Transactions and Contracts with Global Power Synergy Plc. (GPSC)

#### Transactions

PTT signed a Gas Sales Agreement with GPSC to feed gas for power generation, which is considered a normal business transaction, with prices and conditions based on competitive standard referenced market prices.

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## 9.2.5 Sensibility of Connected Transactions

Procurement of goods, raw materials, or services from related entities aims to maximize mutual benefits in business operations within PTT Group and endorse national energy security. Such transactions are regarded as normal business practices. The volume of goods or raw materials bought or sold by PTT or services provided or received by related parties are in accordance with PTT's needs and business operations. Such prices and services are as agreed in contracts, leading to commercial benefits to both PTT and related parties without any benefits transferring or irregular transactions.

## 9.2.6 Policy Relating to Future Connected Transactions

PTT's future connected transactions will be conducted as part of its normal businesses without special favors or transfers of benefit between PTT, subsidiaries, associated companies, related companies, and shareholders. Pricing policy will continue to be at arm's length, and the prices of products supplied by PTT's subsidiaries will be at the market-based. Disclosure of connected transactions are according to SEC's and SET's regulations and the accounting standard for related parties/ entities disclosures announced by the Federation of Accounting Professions.

## 9.2.7 Appraisal Price for Related Transactions

-None-