

# Report of the Corporate Governance and Sustainability Committee

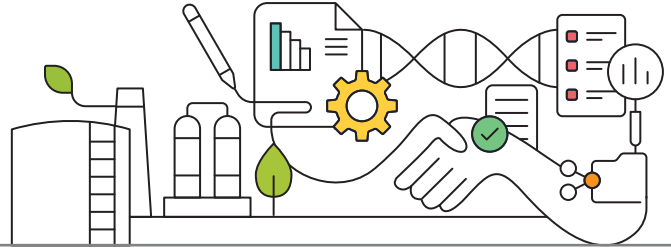
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**Mr. Jatuporn Buruspat**  
Chairman of the Corporate Governance and Sustainability Committee

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 Srukhosit  
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

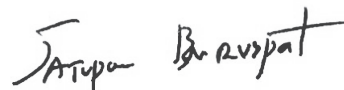
- Supported PTT's social contribution activities aiming for sustainable community development by applying PTT Group's potential and expertise along with building community engagement as a positive contribution to enhance livelihood to increase income and reducing expenses by more than 10%, as well as 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).



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