

# Section 2

Corporate Governance

## 6. Corporate Governance



### 6.1 Overview on CG Policy and Guidelines

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

Ever since its privatization into PTT Plc. and distribution of its shares on SET in late 2001, the Board of Directors has adopted CG as its guiding principles. The Articles of Association of PTT stated: "The Company must have and implement a policy on its business ethics, including the ethics of its Board of Directors, senior executives, management, and employees in compliance with good CG practices as its code of conduct for the organization with a high standard". PTT has issued its CG code in 2001, reviewed and revised it. In 2003, PTT has published the first CG Handbook and delivered to each director, management and employees to sign, acknowledge and comply with. The handbook was regularly revised to improve the standard of operations to comply with SEC and SET's CG for listed companies

(CG Code) as well as comments and recommendations from IOD's CG Assessment Report, including The Organization for Economic Cooperation and Development, the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard), and the Dow Jones Sustainability Indices (DJSI) together with best practices of leading international companies. The handbook in its 4<sup>th</sup> revision was renamed "Corporate Governance, Ethical Standards and Code of Business Ethics Handbook" or CG Handbook.

PTT has integrated CG in its vision, mission, and core values as part of its sustainable growth strategy, to become a Thai Premier Multinational Energy Company as our vision to drive the nation forward, overcome all challenges, apply technology and innovation to all sectors of operations, enhance national competitiveness, develop society and the well-being of the Thai people based on the Corporate Governance (CG).

## Corporate Governance Policy

PTT duly reviewed its CG Policy and handbook to suit prevailing laws and good practices, economic and social circumstances and requires all directors, management and employees to acknowledge it in writing and observe all policies in the course of their work to illustrate the commitment to practical application of such policy and code of conduct to their jobs. The Board's policy on CG is as follows:

1. The Board of directors, management, and all employees shall commit themselves to PTT's six good corporate governance principles, namely, Accountability, Responsibility, Equitable Treatment, Transparency, Vision to Create Long-Term Value, and Ethics, with PTT's organizational structure shall fairly balance the roles of the Board, management and shareholders.
2. The Board shall perform its duties with dedication, a sense of responsibility and independence, and there shall be a clear segregation between the roles and responsibilities of the Chairman and the President & CEO.
3. The Board shall play a vital role in formulating PTT's vision, strategies, policies, and plans while taking into consideration risk factors and establishing appropriate risk management, as well as ensuring that the accounting systems, financial reports, and accounting audits are all reliable.
4. The Board shall be the role model for ethics and shall perform their duties in accordance with PTT's good corporate governance guidelines, as well as overseeing and resolving conflicts of interest and connected transactions.
5. The Board may appoint specific committees, as deemed appropriate, to assist in 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 code of ethics, which the Board, management and employees as well as all contract employees must adhere to in conjunction with PTT's rules and regulations.
8. Disclosure of PTT's information, both financial and non-financial, shall be adequate, reliable and timely, so that PTT's shareholders and other stakeholders receive such information in a fair and equitable manner. The Corporate Communications Department and The Investor Relations Department responsible for providing the information to general public and investors.
9. PTT's shareholders shall receive equitable treatment and have equal rights to access PTT information and appropriate communication channels with PTT
10. There shall be an appropriate system for the selection and appointment of key management positions at all levels with a transparent and fair nomination process.
11. There shall be the anti-corruption principle in PTT's corporate governance policy to ensure that the management is aware of and pays attention to anti-corruption practices and implementation.

PTT has published the latest version of "Corporate Governance, Ethical Standards, and Code of Business Ethics Handbook" on its intranet and website in Thai and English for the benefit of and reference for Thai and foreign investors and interested parties together with stakeholders.

## Policy and Guidelines for the Board

PTT's Board of Director shall comprise the person who has knowledge, expertise, and experience considered beneficial to the company. They shall devote 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; the company's auditor; and shall assign the Company Secretary to manage meetings and compliance 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 Director, led by the Chairman of the Board, shall direct and control management to ensure the effectiveness and efficiency of operations, achieving of the company's targets and adding 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 in question, their family, or other contacts. The independence of the Board must be emphasized in order to protect the shareholders and the company's benefit. Therefore any director who is not entirely independent shall not make decisions.

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

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

### 4. Role and Duties of the Chairman

- The chairman is independent from the management and has not involved in routine management with

clear segregation of roles between the Chairman and the management.

- The chairman shall regulate the board for ensuring high efficient operations. Also, the chairman shall support and provide assistance to the management's operations as under the authority delegated by the board.
- The chairman shall determine, together with the President and Chief Executive Officer, the board meeting agenda.
- The chairman shall serve as an effective chairman of the board's meetings and the shareholders' meetings.
- The chairman shall encourage the directors to perform their duty with responsibility to shareholders and stakeholders, and adhere to PTT's Corporate Governance, Ethical Standards and Code of Business Ethics.

### 5. Establishment of Specific Committees

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

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

Every board member should attend board meetings on a regular basis. The Office of the President is responsible for coordinating the meetings, arranging the venue, and preparing appropriate documents. 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 the shareholder's meeting to ensure that they are organized in a transparent way and in compliance with applicable law and regulations.

### 8. Evaluation of the Performance of the Board

The board shall evaluate its performance annually to be used as a framework for evaluating the board's performance, and consider, review and analyze 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. However, the Board through the Remuneration Committee shall be responsible for determining the remuneration. The Remuneration of Directors shall propose to the Shareholder for approval. (Details on remuneration for directors and management are reported under Section 2: “**7.4.2 Policy on Remuneration for Management**” and “**8.1.2 (2) Remuneration for the Board**”)

## 10. Succession Plan

The Board must ensure that PTT has an appropriate nomination process for key management positions at all levels. The President and Chief Executive Officer will be selected through a nomination process that will consider both internal and external candidates which follow the Standard Qualifications of Directors and State Enterprise Officer Act. PTT has taken steps to develop its executives and set up Group Leader Development to lay down a succession plan for personnel when the time comes for assuming higher positions that become vacant, namely: the President and Chief Executive Officer, Senior Executive Vice President or equivalent, Executive Vice President or equivalent, and Vice President or equivalent.

## 11. Directors' Development

For new directors, PTT arranges an orientation program and provides each director with a Directors' handbook, documents and useful information. Furthermore, the lectures on introduction to PTT's business operations, including policies and practices of good corporate governance, are provided in order to create knowledge and good understanding of the company. The directors are also required to enhance their knowledge, capability and skills in terms of business operation, good corporate governance and other courses that are beneficial to their operations. Accordingly, PTT shall support and encourage their training with Institute of Directors Association (IOD) as well as other institutions in all relevant courses throughout the year. In addition, PTT supports their training with regular in-house briefing by experts and consultant companies with helpful business data.

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

The principles for PTT Group executives when taking the positions as committee, advisor, professional or other positions in other companies or other juristic persons, effective from January 31, 2014, shall be as follows:

- (1) In case the chief executives of PTT Group are appointed by the royal command or by the cabinet, according to any jurisdiction, to take other positions apart from working for PTT Group, the chief executives shall notify the board, which they are working for, of such appointment.
- (2) In case the chief executives of PTT Group are appointed by government units, state-enterprises, NGO or public education institutes to take the position as committee, member of a working group, specialist, professional, advisor or other positions apart from working for PTT Group, the chief executives shall notify the board, which they are working for, of such appointment for their consideration and acknowledgement.
- (3) In case the chief executives of PTT Group are about to take the position as committee, member of a working group, specialist, professional, advisor, or other positions in other companies or other juristic persons apart from those provided in item (2) and not working for PTT Group, the chief executives shall notify the board, which they are working for, before accepting such appointment.
- (4) The executives and the employees who are not the chief executives of PTT Group but subjected to item (1), (2) and (3) above shall notify the chief executives of PTT Group for recognition and consideration, before accepting such appointment.
- (5) In case the taking of other positions as the Chief Executives in item (1), (2), or (3) and other positions as the executives and the employees, who are not the chief executives in item (4) occur before this principles is being approved and these persons are still working in the positions at present, these persons shall notify the board or the chief executives of PTT Group for recognition.

Details of the policy and guidelines for PTT Board of Directors are as shown in PTT's Corporate Governance, Ethical Standards and Code of Business Ethics Handbook, in Thai and English, on PTT Intranet and website.

## • Governance of Subsidiaries and Associated Companies

### Governance Mechanisms

PTT defined a CG policy for PTT Group by preparing the “PTT Way” handbook and the “PTT Way of Conduct” guidelines, which compile work procedures in various aspects of PTT Group so that their work procedures may be in conformity and unity as a governance tool for PTT and affiliates. All are required to practice and drive toward the same standard across PTT Group through PTT’s representative(s) assigned as directors, management, and officers. This way, PTT Group commands unity in action, leading to synergy, enhanced capability and strength in international competition for PTT Group to in turn lead to joint growth in a transparent and sustainable way.

Below is the scope of PTT Group management, which consists of five governance principles:

- 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, Regulations and Policy**, including directives which form part of the governance designed to drive linkages between PTT Group’s policy governance and its successful implementation. Such rules, regulations, policy and directives are to be put into practice and driven toward a uniform standard throughout the 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 governance transfer (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 own group governance to convey the PTT Group Way of Conduct concept to its affiliates so that a single standard may govern the entire PTT Group.

**5. 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 definition of business directions. In place is regular performance reporting under the PTT Group Way of Conduct by PTT Group to PTTGMC to track business efficiency and effectiveness.

PTT also defined the key roles and duties under the PTT Group Way of Conduct as follows:

#### Roles of the Shareholder:

- Appointing the Board to work on their behalf.
- Defining the Company’s business direction or decide on matters of significant impacts through shareholders’ meetings.
- Attending to exercise their voting rights at shareholders’ meetings to appoint or remove directors, appoint the external auditor, and consider matters affecting the company, including dividend payout allocation, definition or amendment of the articles of association or memorandum of association, capital increase or decrease, and approval of extraordinary items.
- Auditing the board’s performance.

#### Roles of the Board:

- Steering the company for sound management by defining objectives and goals, strategies, and policies, and allocating key resources for objective and goal achievement, including monitoring, assessing, and ensuring performance reporting.
- Creating sustainable value for the business, leading to competitiveness and outstanding performance outcomes with due regard for long-term impacts. Engaging in business with ethics and a respect for rights while exercising responsibility for shareholders and stakeholders, among others.

- Ensuring that all directors and management execute their duties of care, loyalty, obedience (compliance with the law, corporate objectives and articles of associations, resolutions of the Board and shareholders' meetings), and of disclosure (of accurate, complete, transparent and timely information).
- Assigning explicit scopes of duty to the President and management and monitoring execution as assigned.

#### **Roles of Top Management:**

- Managing the company as assigned by the board, specifically by strictly managing the Company under the plan and budgets approved by the board with integrity and honesty, and prudently while acting in the company's and shareholders' best interests.
- Providing linkage of strategies and policies between the company and PTT Group through concrete implementation.
- Executing duties of care, loyalty, obedience compliance with the law, corporate objectives and articles of associations, resolutions of the Board and shareholders' meetings), and of disclosure (of accurate, complete, transparent and timely information).
- Executing Governance, Risk, and Compliance (GRC) and Providing Cooperation to Internal Audit.

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

This year PTT had 34 affiliated companies, five of which are SET-listed flagships. PTT therefore adopted the PTT Group management structure for synergy and alignment of policies. To achieve this, The Board of Directors appointed directors or 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 addition for all stakeholders. The objectives of such appointments are:

- 1) To ensure that the management of a given company aligns with the policies of PTT Group, monitor its overall business performance to align 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 as a whole.
- 3) To apply specific expertise in support of business, including financial know-how to improve accounting and financial processes to enable a given company to 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 and business alliance with PTT.
- 4) This is 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, based on the pertinent act on standard qualifications of state enterprise directors and employees. Chosen directors from the pool must make up no less than one-third of other directors of a given state enterprise. As of December 31, 2020, PTT had 28 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 three 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 conformance to a 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 NACC.

In addition, the Board defined guidelines and criteria for serving in various positions by PTT Group's executives. In 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 impacts. 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.

#### Shareholder's Meeting

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

This year, The AGM was scheduled for April 10, 2020 at the Bangkok Convention Center, 5<sup>th</sup> floor, Central Plaza Lardprao, 1695 Paholyothin Road, Chatuchak District, Bangkok, 10900. However, due to the outbreak of the Coronavirus Disease 2019 (COVID-19), the government has announced a state of emergency declared in all area of the Kingdom of Thailand on March 25, 2020. PTT closely monitoring in this situations and the Board had finally decided to postpone the AGM and rescheduled it on Friday July 3, 2020. The meeting held at PTT Auditorium, 2<sup>nd</sup> Floor, PTT Public Company Limited, 555 Vibhavadi Rangsit Road, Chatuchak, Bangkok, 10900, Thailand.

Even the outbreak of the Coronavirus Disease 2019 (COVID-19) situation, the meeting was organized in accordance with the AGM Checklist, prepared by the Thai Investors Association (TIA), Thai Listed Companies Association (TLCA), and Securities and Exchange Commission (SEC). In 2020, PTT received a full score of 100 points on the AGM Checklist for the eighth consecutive year.

### Delivering Meeting Notices

For this year's AGM, the special meeting of the board No. 2/2563 (2020) of April 30, 2020, decided to call a meeting on July 3, 2020. 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 registrar, to mail the notices together with agenda details and accompanying documents, supplementary and supporting information for decision-making, opinions of the Board, complete minutes of the last meeting, the annual 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 June 2, 2020, and three days before the meeting, the invitation was announced through one Thai and one English newspaper, each for three consecutive days (June 27-29), to allow shareholders enough time to prepare themselves for the meeting.

The AGM meeting notice and supporting documents were made available at PTT's website ([www.pttplc.com](http://www.pttplc.com)) 30 days before the meeting date (starting on June 2).

### On the Meeting Date

Before the meeting, the Chairman of the meeting introduced the directors, management, the external auditor, and the legal advisers who served as a neutral party 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 information had been provided on each item, the Chairman gave a chance for all attendees to comment or provide recommendations and ask questions, allowing adequate time for debate. This year, for good public hygiene, PTT provided paper and question form online for shareholders instead of using microphones. The Chairman and 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 item without notifying shareholders in advance. If the meeting should decide to change the order of the agenda, it would 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 not mentioned in the meeting notice. At the 2020 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 vote tally on each applicable agenda item. As a rule, a shareholders' meeting lasts 3 - 4 hours. The 2020 AGM began at 1:30 p.m., with registration beginning at 11:00 a.m. At the meeting's opening, a total of 2,081 shareholders registered, of whom 261 were shareholders and 1,820 were proxy holders, holding a total of 21,663,766,756 shares, or 75.8456 % of the total, which exceeded 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. The Chairman presided as the Chairman of the meeting with the specific committee chairmen, members, the President & CEO, Chief Operating Officer, Upstream Petroleum and Gas Business Group, Chief Operating Officer, Downstream Petroleum Business Group, Chief Technology and Engineering Officer, and Chief Financial Officer together provided supporting information on stage. The Senior Executive Vice Presidents, Executive Vice Presidents, and Management of PTT Group were attended at the front rows to provide information for relevant questions. Independent directors served as proxies for minor shareholders.
- The external auditors from the State Audit Office of the Kingdom of Thailand were Ms. Mayuree Juntamat (Bureau Director) and Ms. Phakawan Sueblao.
- Legal advisers from Weerawong, Chinnavat and Partners Co., Ltd. (witnesses in charge of the examination of voting disputes throughout the meeting): Mrs. Veeranuch Thammavaranucupt and Ms. Patcharaporn Pootranon.

### Shareholder Count (as the AGM adjourned at 4:00 p.m.)

A total of 3,094 shareholders, 315 shareholders and 2,779 proxy holders, attended the AGM, representing a total of 23,615,980,317 shares or 82.6803% of the total shares.

### Practical Guidelines for Reporting Conflicts of Interest

As specified in the PTT CG Handbook, all directors, management, and employees must prepare reports on conflicts of interest, consisting of annual reporting forms and a new interim reporting format in case of changes. At a given meeting, those with vested interests or conflicts of interest with PTT must inform the meeting to excuse themselves and abstain from voting on each such matter.

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

### Disclosure of Shareholders' Meeting Outcomes

For the 2020 AGM, PTT submitted a summary of AGM resolutions to SET and SEC on the evening of the meeting date (July 3, 2020). It also submitted the minutes of the AGM (each agenda clearly separated, the number of directors in attendance/absence, questions raised by shareholders and answers from directors, together with the voting tallies of each agenda item) to SET and SEC within 14 days of the meeting. Meeting information, video-recording, photos, and audio-recording are accessible through PTT's website.

## 2) Equitable Treatment of Shareholders

PTT treats all shareholders fairly despite their different shareholding proportions and 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 on any agenda item must excuse themselves from the meeting on that item. All shareholders has equal rights to take part in PTT's activities.

## Proposing Additional Meeting Agenda Items and Nominating Directors

To enable minor shareholders to take part in business oversight, for the 2020 AGM, PTT has defined the criteria and consideration process for entitling them to propose meeting agenda items or nominate directors in advance, or both, so as to deliberate agenda items that could prove useful to PTT, including the selection of qualified directors to perform their duties efficiently in the best interests of PTT, shareholders, and stakeholders. In practice, shareholders with a combined holding of at least 5% of the total eligible votes or at least 1 million shares held uninterrupted at least one year could propose agenda items or nominate directors before the AGM from September to November 2019, 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 under the resolution of the Cabinet of August 6, 2019.

For this year's AGM, PTT posted such criteria on its website and an announcement on SET's website from September 1 to November 30, 2019. 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.

## Facilitating Shareholders at the Meeting

Though the AGM was convened under the COVID-19 pandemic, where the safety and health of attendees was crucial, PTT did its best to facilitate all shareholders by manning officers to welcome and take care of them, and provided adequate convenience under social distancing measures, back-up meeting rooms were arranged, as was a signal relay system between meeting rooms. Security precautions and emergency contingency plans were in hand. Examination of registration credentials was available seven days in advance. Officers provided photocopying services and verified documents. On the meeting day, registration opened two and a half hours early and extended until the period before the last meeting agenda. A barcode system facilitated registration and voting.

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 shareholders' meetings, supplementary documents, and relevant documents into English. Its website is also bilingual. It also provided officers with a good command of

English on hand at meetings to facilitate foreign shareholders. If shareholders cannot communicate in Thai but want to pose queries or discuss topics at the meeting, PTT arranges for suitable communication and provides translation into Thai both queries and answers for the benefit of other shareholders to preserve their rights and ease communication needs for foreign shareholders.

## Appointing Proxies

To maintain the rights of those who could not attend the 2020 AGM in person, they could appoint proxies or delegate their votes to any independent director in attendance. To this end, PTT has specified these independent directors' names on proxy forms defined by the Ministry of Commerce for voting on behalf of shareholders without conditions. PTT treats proxies as if they were shareholders. As a rule, 30 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's website and e-mail.

## 3) Roles Toward Stakeholders

As the national energy company, PTT accounts 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 fall into six groups with a different mission targeted for each group in response to their different needs:

**Public Sectors:** Ensuring long-term energy security by providing adequate high-quality energy supply at fair prices to support economic growth.

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

**Investors:** Operating profitable businesses that lead to sustainable growth while generating optimal returns

**Customers:** Ensuring customers satisfaction and loyalty by delivering world-class quality products and services at fair prices.

**Supplies and Partners:** Conducting fair business practice with all partners while promoting trust, good relationship, and cooperation to expand business capability and increase efficiency in long-term business partnerships

**Employees:** Promoting capability building professionally and ensuring that employees' well-being is level with other leading companies in order to strengthen employee engagement

## Treatment of Six Main Stakeholder Groups

### 1. Public Sectors

As the national energy entity with a crucial mission to drive Thailand under the national strategies and tasked with a mission to achieve long-term energy security through supply of energy of sufficient volumes, standard quality, at fair prices, and in support of public policy to promote national economic growth, PTT conducts major operations as listed below.

**1) Energy security:** PTT leverages its investment budget to relentlessly develop energy infrastructure to accommodate rising energy consumption, including growth in gas transmission systems and capacities, LNG-receiving terminals, power plant investment, and pursuit of an ASEAN LNG trading hub together with investment in emerging businesses, including the battery and renewable energy businesses. In sourcing energy supplies to meet domestic demand, PTT executes risk management plans for supplies from various sources to ensure adequate volumes, quality, and standards including sourcing of natural gas to embrace indigenous deposits, imports from neighboring countries, or power-business growth both domestic and international to satisfy national energy demand.

**2) Public policy support for economic growth and mitigation of COVID-19 impacts** along with support for the national grassroots economy closely with the public sectors. The key actions of 2020 are as follows:

- **Restart Thailand:** In supporting public policy, PTT and PTT Group prepared to recruit more than 25,000 new graduates and workers to stimulate the Thai economy and develop society through the Restart Thailand Project, as well as supporting domestic tourism through seminars outside and employees' domestic travel.
- **State welfare card project - 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 the low-income earners, hawker groups, and food stalls with state welfare cards to reduce their living costs, stimulate the grassroots economy, and promote low-income earners' businesses.
- **Discount retail NGV prices for public transportation:** Support of discounts of retail NGV prices was extended to operators of public transportation including taxi drivers, mini-buses, BMTA's joint-venture mini-buses and regular buses, the Transport Co., Ltd.'s joint-venture mini-buses and passenger buses, other mini-buses and tuk tuks, to help reduce economic impacts of COVID-19.

### 2. Communities and Societies

PTT is committed to driving Thailand through enhanced national energy security and economic growth in parallel with a better quality of life for society and communities by applying the Sustainable Development Goals (SDGs) of the United Nations, the 2018 - 2037 National Strategies, the result of surveys of PTT Group stakeholders', society's and communities' needs, information on significant economic, social and environmental directions, including anticipated impacts after COVID-19, and PTT Group's skills as guidelines for social development endeavor. PTT emphasized implementation **in two aspects: human resources, community and social development** through educational development in sciences and technology fields, including the 21<sup>st</sup> Century essential skills to support smooth transition into the future as well as skill development to elevate the life quality of the community to self-reliance through occupational promotion of community projects and businesses, and the promotion

of green energy; and **Natural resource and environmental conservation** through increasing and conserving of rural and urban green space and forests with emphasis on community participation in the designing process to maintaining process to reduce impacts of climate change and conserve the eco-system.

Details are as shown in Section 1: Business Operations and Performance **“3. Driving Business for Sustainability”**.

### 3. Investors

PTT remains committed to being an organization that contributes to the economic growth. Enhancing the competitiveness of the country, developing society and improving the quality of life. Moreover, creating innovation and implementing technology in all sectors as well as being a driving force in people’s way of life, society, community, environment to move through change Under vision “Powering Life with Future Energy and Beyond” and taking into account the three aspects of balance (ESG): Environmental, Social and business operations under good Governance as well as implementing 4R strategies (Resilience, Restart, Reimagination and Reform). To be assure for the investor that PTT will be a company that operating profitable business, leads to sustainable growth while generating optimum returns.

#### Investors’ Activities (common shareholders)

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

This year, due to the outbreak of the Coronavirus Disease 2019 (COVID-19), PTT decided to halt the company site visit to prevent the spread of COVID-19.

Shareholders are interested in taking part in the visits next year (2021) can follow project updates and details on PTT’s website. PTT reserves the rights to invite only those that have never taken part in this activity.

#### Investors’ Activities (debenture/bond holders)

PTT has issued and offered debentures to shareholders since 2003. This year, PTT issued new Baht-denominated debentures of THB 35 billion and redeemed other debentures totalling THB 26.118 billion. At this year-end, PTT’s Baht-denominated debentures holders numbered 22,700. Since 2010, PTT has staged ongoing debenture holders’ activities to serve as a channel for maintaining cordial relations with them and repay them for the confidence in PTT bonds over the long term. This year’s activities were diverse to meet the needs of debenture holders. As a precautionary measure, PTT stressed social distancing to comply with the government’s policy for maximum safety and confidence of the participants, and advanced technology were used in the activities. This year activities included:

- Two visits to PTT’s business operations. The first was a trip to gas separation plants (GSPs) and the HRH Princess Maha Chakri Sirindhorn Herb Garden in Rayong in October; the second, to the Kamnoetvidya Science Academy (KVIS), Vidyasirimedhi Institute of Science and Technology (VISTEC), and Wangchan Forest Learning Center, Wang Chan district, Rayong in November.
- Relationship activities, including seminars, workshops, and annual concerts, the latter via live streaming for debenture holders’ convenience and less risk from overcrowding and COVID-19.
- The “happiness” quarterly journal, which communicates corporate data, provides energy knowledge, and edutainment articles, was found to be highly suitable and satisfactory by target debenture holders.

PTT has organized a new activity, Happiness at Home (Online), for debenture holders to participate in the video clips of their interests via PTT Debenture Line Chatbot, such as yoga, singing and cooking.

PTT is committed to raising its efficiency and satisfaction of debenture holders by adding the PTT Debenture Line Chatbot channel for them to access data of the PTT Debenture Club, including application and verification of the rights to attend activities, personal data, activity participation via live streaming, video on Happiness at Home, and online magazine subscription

### Activities for Institutional Investors

This year, due to COVID-19, PTT modified the activities for institutional investors by applying digital technology to their communication via online and as a new communication channel for all global investors. The format of the activities was redesigned to comply with the government's measures on social distancing; advanced technology was applied to organizing the activities, including Webex and Facebook live, both Thai and English. As a result, the number of roadshows and conferences held was close to that of the previous year despite COVID-19. In addition, PTT has developed its digital technology regularly, with more functions added such as information service for analysts and institutional investors, and automatic query answering via PTTIR Line Chatbot, updates on AGM schedule and analyst meetings of PTT Group, which have been included into the calendar, and updates of dividend payment, all designed to facilitate and enhance the efficiency of access to information by analysts and institutional investors.

## 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 customers in the vehicles and gas business, 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 assorted channels, including customer visits, seminars, opinion surveys and customers information via online channels which also provide information on competitors, state of competition and technology, customers' behavioral trends and lifestyles, market environment, and future needs of customers. All input is reviewed together with other information, namely situations and trends of energy economics, public policies, regulations, technological innovations, financial and economic data for the design of products and services that match the needs and expectations of current and future customers.

Constantly, PTT developed supporting systems to facilitate and ensure customers' accurate, timely and correct transactions with PTT, including Robotic Process Automation (RPA) in the e-Billing and e-Payment, SMART Deal Recap to support trading processes, and added a new communication channel (LINE Official) to ease contact. In addition, training and seminars were held online as well as communication with customers to provide useful information, knowledge, and forge good relations during the virus spread.

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 factories, and procedures for gas metering. It provided its services in compliance with the standard controlled by the Energy Regulatory Commission of Thailand and regularly reported its operations to the commission as required or, in the case of violation of the standard, within the specified period.

PTT developed means to foster relations with customers suiting each life-cycle of customers, designed to lead to repurchase and "word of mouth" to others, which form the ultimate goal. In place is PTT satisfaction, dissatisfaction and engagement assessment versus competitors via the annual satisfaction survey, featuring constant query development. To this end, PTT considers the outcomes directly with customers' purchasing behavior to allow survey outcomes to reflect current operations while extending future businesses more clearly. Customers' satisfaction and dissatisfaction have been regularly compiled and analyzed so that PTT may know trouble indicators and promptly resolve problems, thus preventing losses of customers or competitors' intervention.

PTT Group complaints by severity of impact, with defined service level agreements for different complaints, concerning which relevant units must resolve problems within given periods. All complaints must be addressed within 24 hours and after problem resolution, an inquiry will be made to customers to determine their satisfaction with PTT's problem-solving. At the same time, customers will learn about PTT's long-term problem-solving plans. This ensures that customers are satisfied and will continue to buy PTT's products and services.

Constantly valuing customers' convenience and safety, PTT launched projects like the PTT Tune-up Project, under which free engine checks and tune-ups are given.

	Natural Gas					International Trading
	Natural Gas	Power Plant and Wholesale Market Industry	Industry	Petroleum and Petrochemicals	NGV	
2020	91.8	89.9	92.4	91.7	88.4	95.6
2019	92.2	90.6	92.7	93.1	88.4	96.2
2018	90.6	87.8	91.2	94.4	88.1	91.0

## 5. Supplies and Partners

Since Supplies and Partners are key to business success through mutual support, PTT values and treats them fairly through fair competition, mutual respect, and good cooperation. PTT strictly complies with contracts and procurement processes 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, accountability, and maximum benefit.

To achieve its resolution, PTT is committed to do 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. The key factors for the drive are as follows:

### 1. Clear business policy and directions

This means PTT's policies and strategies are key factors for forging awareness among employees and society of PTT's commitment and business directions. Therefore, PTT issued a PTT Group policy on **procurement and sustainable business partner management** in 2015 so that PTT's business partners' conduct guidelines may be more in line with, and more suitable for, the sustainable organizational management concept. The company revised the PTT **Supplier Sustainable Code of Conduct** (SSCoC) and announced its third edition on August 3, 2015, defining the contents and scope under applicable regulations and laws, together with the aspects taken seriously by PTT, consisting of 4 main topics:

1. Business Ethics
2. Social Responsibility
3. Safety
4. Environmental Management.

## 2. Sustainable business partner selection and management process development

To align supply chain management with corporate directions, PTT manages its business partners with due regard for ESG (Environmental, Social, and Governance) 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 critical, key, and managed (in order of potential severity of impacts) levels. For those in the critical group, management actions will be more intensified than the other groups. Besides, formally acknowledging the guidelines for sustainable treatment of PTT's business partners, they must respond to the Sustainability Performance Assessment Form. After self-assessment, if they fail, they will need to formulate ESG Corrective Action Plans. PTT reserves the right to audit business partners' self-assessment outcomes. In 2020, PTT team in conjunction with a third-party agency conducted sustainability assessment of 12 "Critical" business partners. Overall, their scores passed the criteria set by PTT. A project designed to develop business partners' sustainable operation caliber was launched, under which PTT selected major business partners whose operations involved ESG for training on sustainability capability development of business partners and practices on sustainability capability self-assessment for development planning in line with PTT's policy. In addition, PTT commands a policy on green procurement conforming to the public sector. A system was developed in support of green procurement through the PTT Vendor Management System, which compiles green spending data. Vendors who won price bidding can report their choices of green products in serving PTT. As of the year-end, 39 tasks were related to such green spending and green products, valued at some THB 68 million.

PTT and PTT Group seriously take the reduction of risks in product/service supply, boosting of confidence in supplier services, and sustainable procurement of international standards of PTT Group. This year, PTT passed the audit on the implementation under the standard criteria of ISO 20400:2017 Sustainable Procurement from the Management System Certification Institute (Thailand) (MASCI) for the joint product/service procurement of PTT Group, and started applying this standard in joint procurement with three groups among PTT Group. It planned to extend this practice to cover all business groups in 2021.

In addition, to illustrate PTT's "Pride" action in being a transparent company, it 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 Policy Office (SEPO), and 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 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 open 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. This year's 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). It amended its own processes by requiring the disclosure of its annual procurement plan for interested parties to join price bidding contests at PTT and manage their bidding readiness. PTT has disclosed its 2020 annual procurement plan via three 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. It has appointed a Procurement Governance and Audit Committee to ensure transparency of procurement, both those requiring compliance with Public Procurement and Supplies Administration laws and those direct commercial procurement 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 audit 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. In 2020, management, committed to the vision of being a transparent organization, requested each department to set KPIs for procurement compliance to ensure that each such procurement is worth the value, transparent, fair, efficient, effective, and auditable.

PTT puts in place a system called Material Received (MR) on the web, through which user units assess business partners in assorted aspects, including quality, delivery, service, performance, SSHE, and sustainability. Initially, assessment outcomes will be released to register business partners for further improvement.

### 3. Capacity-building of relevant parties

Since the mastery and caliber of relevant parties represent another key factor driving the success of this matter, PTT values **capacity-building on procurement and management of business partners** by PTT's own executives and staffs in a systematic and suitable way. This is achieved through training, communication, and Knowledge Management (KM), so to achieve the sustainability objectives of business partner management. In addition, PTT establishes business partners' readiness and communicates with them in parallel, so that they may prepare themselves for developing their own businesses along the sustainability approach (PTT Supplier Sustainable Code of Conduct).

To promote the sharing of data and knowledge between PTT and business partners while nurturing their caliber to support PTT's success, business continuity, and social responsibility, this year PTT staged **Supplier Relationship Management Seminars (SRMs)** to communicate PTT's business direction under Governance, Risk and Compliance (GRC) for transparency, fraud-free execution of tasks, suitable complaint channels, and communication of human rights in the supply chain. This year PTT communicated and educated suppliers on the new procurement system under the Digital Procurement Project, where technology is applied to the procurement process, on the Procurement Website, which compiles business opportunities on [www.pttplc.com](http://www.pttplc.com) and the PTT Vendor Management System to facilitate trade partners and interested parties, including premises's overview of PTT Head Office, the Rayong GSP, Gas Transmission, and NGV for Vehicles (a total of three exercises) via online using teleconference technology in parallel with arrangement with proper social distancing.

PTT requires price 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 surroundings. PTT visits business partners' sites to assess their capabilities, particularly those on the QSHE 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 to determine 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. This year the PTT AVL consisted of 253 companies from 19 business groups.

To ensure efficient preparation of PTT AVL, PTT considers the criteria, conditions, qualifications of business partners who apply to PTT AVL in each business group. The initial qualifications of the 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. If business partners were removed from the Vendor List, they would have no rights to apply for registration in that particular business group for three years. An exception applies if the removal was the result of abandoning the work of PTT, state enterprises, and public agencies, in which case PTT will not accept them to PTT AVL until PTT receives a letter proving the cancelation of such removal.
3. 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.

Moreover, PTT supports Thai suppliers of goods and services and gives them the top priority. Past procurement information reveals that PTT has procured about 97% of local products, generating cash flow in the Thai economic system, promoting procurement of products from the areas where PTT sites are located, and promoting jobs and generating income for people in the communities.

## 6. Employees

**Employee** data are reported under Section 7: “**7.5 Employees**”.

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

PTT requires that all directors, management, and employees observe laws, customs, and cultures which differ in each country where PTT invests and strictly respect universal human rights principles under the Universal Declaration of Human Rights. This is the minimum requirement of its business operations.

In 2017, to ensure complete and proper compliance by PTT with laws and regulations, PTT was established a Compliance Department under the Office of General Counsel to compile laws and regulations, assess risks, support corporate units in proceeding with defined approaches, monitor and inspect, and report on compliance outcomes to the top management and relevant committees.

With the rollout of the human rights management system in 2017, PTT has reviewed risk aspects on human rights covering PTT Group’s business operations under the PTT Group Way of Conduct of 15 group companies in 14 countries, or a total of 30 areas. What the group found were aspects that represented core operational risks: safety and occupational health, migrated labor, security, suppliers’ workplace conditions, standard of living of communities, and the rights of natives. Control measures have been developed and applied along with human rights management plans to keep risks manageable. As assurance of maximum effectiveness, implementation of this plan is to be monitored every quarter. This year no human rights complaints arose. Constantly, PTT disclosed operating information under the 10 Principles of the United Nations Global Compact. Finally, PTT enrolled in the effectiveness assessment of operating outcomes on human rights organized by Corporate Human Rights Benchmark, with the outcomes also encouraging.

## Significant Disputes with Stakeholders

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

## Disclosure of Information and Transparency

Disclosure of information is a key index of operating transparency, a crucial factor for confidence among investors and stakeholders. PTT values accurate, precise disclosure of assorted information and creates numerous channels of disclosure so that all stakeholders can gain easy access to 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 disclosed 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 (Form 56-1 One Report) under ‘Driving Business for Sustainability’ and included information on the outcomes of sustainability implementation in risk management, management’s discussion and analysis (MD&A), and CG, based on Global Reporting Initiative (GRI) Sustainability Reporting Standard 2016, and Sustainability Reporting Guidelines and Oil and Gas Sector Disclosure (OGSD). It presented data under the Integrated Reporting (IR) model of the International Integrated Reporting Council (IIRC) along with reporting progress on the 10 Principles of The United Nations Global Compact : UNGC and illustrating PTT’s commitment to supporting the UN SDGs. Further, PTT applied the Recommendation of the Task Force on Climate-related Financial Disclosures (TCFD) to report performance on climate change. There also was a report review to validate the information by an external party regularly. Form 56-1 One Report were delivered to the shareholders this year and are accessible to those interested via [www.pttplc.com](http://www.pttplc.com), GRI and UNGC.

## Investor Relations

Ever since PTT's privatization and share trading on SET in October 2001, Investor Relations has centralized essential information to investors and shareholders, with financial data like the quarterly performance and financial statements, quarterly MD&A, corporate strategies, and outlooks of PTT, which are regularly, fairly and thoroughly disclosed. Investors may call Investor Relations at 0-2537-3518-9, e-mail: ptt-ir@pttplc.com, and log on to the PTT website at www.pttplc.com, which is regularly updated, for information in Thai and English, which includes:

- Company information
- Annual report (Form 56-2)/ Form 56-1/ Form 56-1 One Report
- Information on holders of common shares
- Information and activities for debenture holders
- Presentations and webcasts
- Roadshow/ conferences
- 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
- CG policies and promotional activities
- 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, this year through a virtual conference (Webex and Facebook live), in Thai and English; conference calls as requested; local and international roadshows/ conferences organized by domestic and international financial institutions; company visits by analysts, investors, or related parties such as credit rating agencies, or all of these, through virtual conferences (Microsoft Team and Zoom); press meetings, to discuss performance outcomes and investment projects; basic upstream and downstream business knowledge involving PTT, with the cooperation of PTT and PTT Group (PTTEP, GC, Thainoil, IRPC, and GPSC) and PTT Group 101 Knowledge Sharing, held for Krungthai fund managers; information on strategies and business goals of each company, as well as answers to queries of interest by investors and analysts to ensure that they were well informed of PTT Group's business direction and opportunities for national energy security; SET Opportunity Day via virtual conferences (PTT Microsoft Team); global institutional investors meeting via a digital platform (SET Digital Roadshow) quarterly held by SET, and by domestic and international securities companies.

This year, the following key activities took place:

Activity	2018 (Times)	2019 (Times)	2020 (Times)
Analyst Meetings via Facebook Live/ Webex	4	4	4
Conference calls (presentations of quarterly performances, capital investment, and other key events)	5	5	4
Domestic roadshows/ conferences (including provision of basic PTT business knowledge, including virtual conferences)	12	14	15
International roadshows (including virtual conferences)	14	9	9
Company visits/ conference calls (upon request)	55	57	56
Credit rating review	4	4	4
Press meeting	2	2	2
Company visits by analysts and institutional investors	4	4	-
E-mail/ phone calls	8 - 10 times/day	8 - 10 times/day	10 - 12 times/day
Quarterly SET Opportunity Days and SET in the City	5	5	4
Participation in SET Digital Roadshows (organized by SET)	4	4	4
Minor investors' meetings with management and company visits	One visit (2 groups), Oct. 30 - 31	Two debenture holder visits (2 groups), Apr. 18 - 20 and Oct. 16 - 18 One common shareholder visit (3 groups), Oct. 29 - 31	Two debenture holder visits (2 groups), (Oct. 6 - 8, and Nov. 24 - 26) No common shareholder visit due to COVID-19
Relations activities with debenture holders	15	17	15 (5 via online channel)

- Indirect: Information about PTT, its performance, financial statements, and reports filed with SET are found at [www.set.or.th](http://www.set.or.th), [www.pttplc.com](http://www.pttplc.com), the "Happiness" magazine for debenture holders (via the PTT Debenture Application).
- Investors and interested parties can also mail inquiries to Investor Relations at Tel. 0-2537-3518-9, through e-mail at [ptt-ir@pttplc.com](mailto:ptt-ir@pttplc.com) or at [www.pttplc.com](http://www.pttplc.com). In addition, PTT has constantly publicized news, business activities, operations and project updates apart from addressing questions and facilitating contacts for the media and the public.

In 2018 - 2020, the activities appear below:

Activities	2018 (Times)	2019 (Times)	2020 (Times)
E-mails	225	186	117
News/ photo releases	225	186	117
Press conferences	12	22	6
Media visits to operations (domestic and international)	6	3	2
Welcoming and providing information to visiting agencies for assorted purposes	65 Groups (3,026 persons)	64 Groups (2,521 persons)	7 Groups (483 persons)

#### 4) The Use of Inside Information

PTT has defined guidelines in its CG handbook for all employees on best practices on 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 with other parties inside information learned during the course of their duties or use it to seek profit in a fraudulent way, or to cause damage to PTT's interests.

In addition, PTT has a policy for the Board, management and personnel with privilege to 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 two 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 increase or debenture issuance.

#### 5) Conflicts 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 must also not compromise the efficiency of business operations. Those staff with interests or related businesses which may require PTT's review and decisions must report their relationships and connection with potential conflicts of interest. PTT is to disallow 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 potential conflicts of interest through a specific disclosure form for suspected conflicts 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 forms part of 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 this year the Board developed a form for reporting vested interests of directors, the management and related parties as basic information to manage vested interests for 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. This year, however, no such cases have arisen.

## 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 legal age, must report any changes in their PTT share ownership to SEC under Article 59 of the Securities and Exchange Act B.E. 2535 (1992) and its amendments within three 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, or receipt of such shares, changes in share ownership of the directors and management to the monthly Board meeting, contained in advance as a regular agenda item.

Moreover, a week before the closing of the quarterly and yearly financial statements, the Office of the President issues a letter to the directors, management, or units with privilege to inside information, forbidding them to disclose such information to external parties or unrelated parties, and to buy or sell PTT shares within 45 days (for quarterly statements) and 60 days (for the annual statements) of the last effective date of the financial statements to the notification date of the statements to SET, ahead of the public dissemination of the statements so as to prevent insider trading.

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

Under the Organic Act on Counter-Corruption B.E. 2561 (2018), PTT's directors and top executive, including directors and top executive 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 and children that

are under legal age, to the NACC each time they take up a position, every three years during their terms, and one year after leaving their positions. To this end, PTT issues a reminder to each of the directors and senior management as required.

## Declaring Vested Interests at Meetings

At every board meeting, 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. In 2020, a total of 13 such notices were made to the Chairman at 16 Board 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 staff to comply with under PTT's "Corporate Governance, Ethical Standards and Code of Business Ethics Handbook".

## 7) Anti-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. Relevant implementations and development included:

- PTT defined its annual work plan in line with the national strategies on the prevention and suppression of fraud, phase 3 (2017 - 2021), to drive CG and anti-corruption strategies in pursuit of a prototype corporation of transparency and virtue.
- In 2010, PTT enlisted in the declaration of intention to join Thailand Private Sector Collective Action Coalition 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. Before expiration of the three-year membership term, PTT applied for CAC recertification and won approval, with effect from May 17, 2018. This year PTT's Board, on November 18, 2020, approved the renewal of CAC membership for a third term.

- 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 presents an update of its compliance with the 10 elements of UNGC in its corporate sustainability report.
- Since 2014, PTT has begun enforcing PTT's and PTT Group's Anti-Corruption Policies. The policies, revised in 2019, contain essential principles and guidelines embracing resistance to fraud by defining the anti-corruption policy as part of Corporate Governance, Ethical Standards and Code of Business Ethics Handbook. They require PTT Group's Anti-Corruption Policy as part of the PTT Way of Conduct so that PTT Group may observe the same standards and management approaches and that all companies may achieve synergy under the investment objective. Details of PTT's and PTT Group's anti-corruption policies are as shown in [https://www.pttplc.com/uploads/CG/PTT%20Group%20Anti-Fraud%20and%20Corruption%20Policy%202019\\_EN.pdf](https://www.pttplc.com/uploads/CG/PTT%20Group%20Anti-Fraud%20and%20Corruption%20Policy%202019_EN.pdf)
- PTT's Anti-Corruption Policy forbids PTT's employees to carry out or participate in corrupt practices as well as all forms of bribery offer or acceptance (direct and indirect). They must seriously observe the Anti-Corruption Policy, which covers various processes, including donation to charities, HR administration, supply procurement, and internal control. Details of PTT's Anti-Corruption Policies are as shown in [https://www.pttplc.com/uploads/CG/PTT%20Anti-Fraud%20and%20Corruption%20Policy%202019\\_EN.pdf](https://www.pttplc.com/uploads/CG/PTT%20Anti-Fraud%20and%20Corruption%20Policy%202019_EN.pdf)
- In 2015, PTT declared its "No-Gift Policy" for any festive period. In 2016 - 2020, it 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 benefit. 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.
- Communication, training, and task highlights:
  - PTT communicates its Anti-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, 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 expectation, and disciplinary actions for non-compliance. The training includes an orientation session, morality courses, and CG E-learning, and supports its executives' and staff's 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 in e-trading, which shows pre-order trading of PTT and PTT Group's stocks to prevent 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 make a report on it and give it to the Good Governance and Corporate Ethics Department to collect and donate for public use.

- Recognizing that corruption undermines the nation, PTT values work integration and anti-corruption networking with the public and private sectors to drive anti-corruption suppression through several activities, such as joining NACC in developing action plans on anti-corruption in state enterprises, co-hosting a National Moral Assembly, Anti-Corruption Day, and developing a master plan and action plan on enhancing PTT's morality for the National Morality Promotion Committee, Department of Religious Affairs, Ministry of Culture.
- Oversight and monitoring of performance:
  - The Board ensures that PTT commands an efficient system for anti-corruption to ensure that management recognizes and values anti-corruption and cultivates it as a corporate culture.
  - The Audit Committee supervises internal control, financial reporting, and other procedures concerning anti-corruption measures, steers conformance to anti-corruption measures, and reviews applicable measures and internal control to ensure that the measures are adequate and effective. The committee reviews risk assessment and provides recommendations to the Board on suggested practices to mitigate such risks. Executives must implement such recommendations. The committee also regularly reports internal-audit outcomes regarding anti-corruption measures to the Board and provides best practices to the Board and the executives.
  - The Corporate Governance Committee annually defines and reviews the Anti-Corruption Policy, provides recommendations and guidelines, monitors, and assesses performance, and steers and advocates risk management practices concerning anti-corruption and process-level corruption by assessing fraud and corruption risk and review anti-corruption measures for adequacy and suitability.
- Executives establish risk assessment for business processes that may lead to corrupt practices, review the suitability of processes and measures, and personify proper behavior as well as communicating it to all employees and related parties.
- PTT has developed a Fraud and Corruption Risk Assessment Manual for all units to apply as guidelines for assessing corruption risks in their respective business processes and for defining suitable internal control processes.
- 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-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 likelihood of 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 corruption.

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

- Measures, scope, and tools for whistleblower protection:
  - PTT's HR administration process echoes its commitment to anti-corruption measures. Although refusal to take part in corruption may deprive PTT of business opportunities, its policy is not to demote, punish, or harm those that do so.
  - PTT's employees should not ignore actions in potential conflicts with anti-corruption measures. PTT has established channels for whistleblowing and protection of whistleblowers or those that need advice about conformance to anti-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 suitable and uniform throughout the corporation. Protective measures and fair treatment are in place for whistleblowers or those that provide information. The rules conform to measures for corruption prevention and suppression in the public sector of the National Council for Peace and Order (NCPO), established to overcome corruption seriously, strictly, and more efficiently.
- Punishment
  - PTT has established a suitable and fair process for punishing violators of anti-corruption measures. Any violation of this policy, direct or indirect, calls 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-Corruption Policy in every step of their work.

## 6.2 Code of Conduct (if any)

### Code of Conduct

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 the confidentiality of information and refraining from using inside information for personal gain
6. Responsibility to customers and response to their needs.
7. Free and fair business competition
8. Transparent procurement and fair treatment of business partners (suppliers)
9. Community and social 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 benefit
14. Safety, occupational health, and the environment
15. Respect for intellectual properties and proper application of information and communication technology.

Details of the complete information on Corporate Governance, Ethical Standards and Code of Business Ethics are shown in [https://www.pttplc.com/uploads/CG/PTT\\_CGbookEN\\_rev4.3.pdf](https://www.pttplc.com/uploads/CG/PTT_CGbookEN_rev4.3.pdf)

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

This year the Board approved the review and revision of the essences of the CG policy, guidelines, monitoring system and the CG Handbook as follows:

- Revision of the duties and responsibilities of the Corporate Governance Committee to cover CG, risk management (operation level) and internal control, and compliance (Governance, Risk and Compliance: GRC)
- Revision of the duties and responsibilities of the Enterprise Risk Management Committee to cover corporate innovation management and monitoring.

### Other Implementation Under CG Code

A survey on PTT's CG conducted by the Thai Institute of Directors (IOD) under the Corporate Governance Report of Thai Listed Companies for 2020 has ranked PTT as "Excellent", with an average score overall and by category higher than the average score of 692 other companies surveyed and higher than the average score of companies in the SET50 group. The survey was based on publicized information in 2020. PTT's other guidelines which might be useful to other listed companies are:

- PTT's current Chairman of the Board is an independent director, so he independently delegates policy and oversees PTT's operations.
- Independent directors must consist of at least half of the directors in office.
- The meeting of the Corporate Governance Committee No. 9/2020 of December 8, 2002, and the meeting of the Board No. 12/2020 of December 17, 2002, considered the "Corporate Governance Principles for Listed Companies 2020" ("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. They recognized their role as PTT's governing body in applying CG principles to create sustainable value for the business and assessed its performance under the CG Code and the Corporate Governance Principles and Guidelines for State Enterprises 2019, and duly compared with those of PTT. They were of the opinion that PTT's policy, measures and operational processes are comparable with these two, and that PTT also command short-term and long-term plans to develop PTT's CG system to suit business directions and trends of other international leading companies.

This year PTT complied with CG principles, but did not cover the criteria under the CG Code and the ASEAN CG Scorecard in two items:

1. Composition of the Board, which shall consist of 5 - 12 members

Under PTT's articles of association, the Board shall consist of a minimum of 5 but not exceeding 15 directors. The current Board consists of 15 directors, which complies with the articles of association and suit operations in the petroleum businesses, which need qualified experts in assorted fields essential for PTT business operations. The Board also appointed five subcommittees to assist it in screening crucial matters: the Audit Committee, Nominating Committee, Remuneration Committee, Corporate Governance Committee, and Enterprise Risk Management Committee.

(Meeting attendance of the committees are detailed under Section 2: "**8.1.2 (1) Meetings of the Board**")

2. Voting to elect directors by cumulative voting

PTT's articles of associations require that directors be elected by majority votes and that each shareholder shall have the number of votes as the shares held. In addition, PTT has defined methods to protect the rights of shareholders, including the rights of minor shareholders to propose meeting agenda and nominate directors.

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

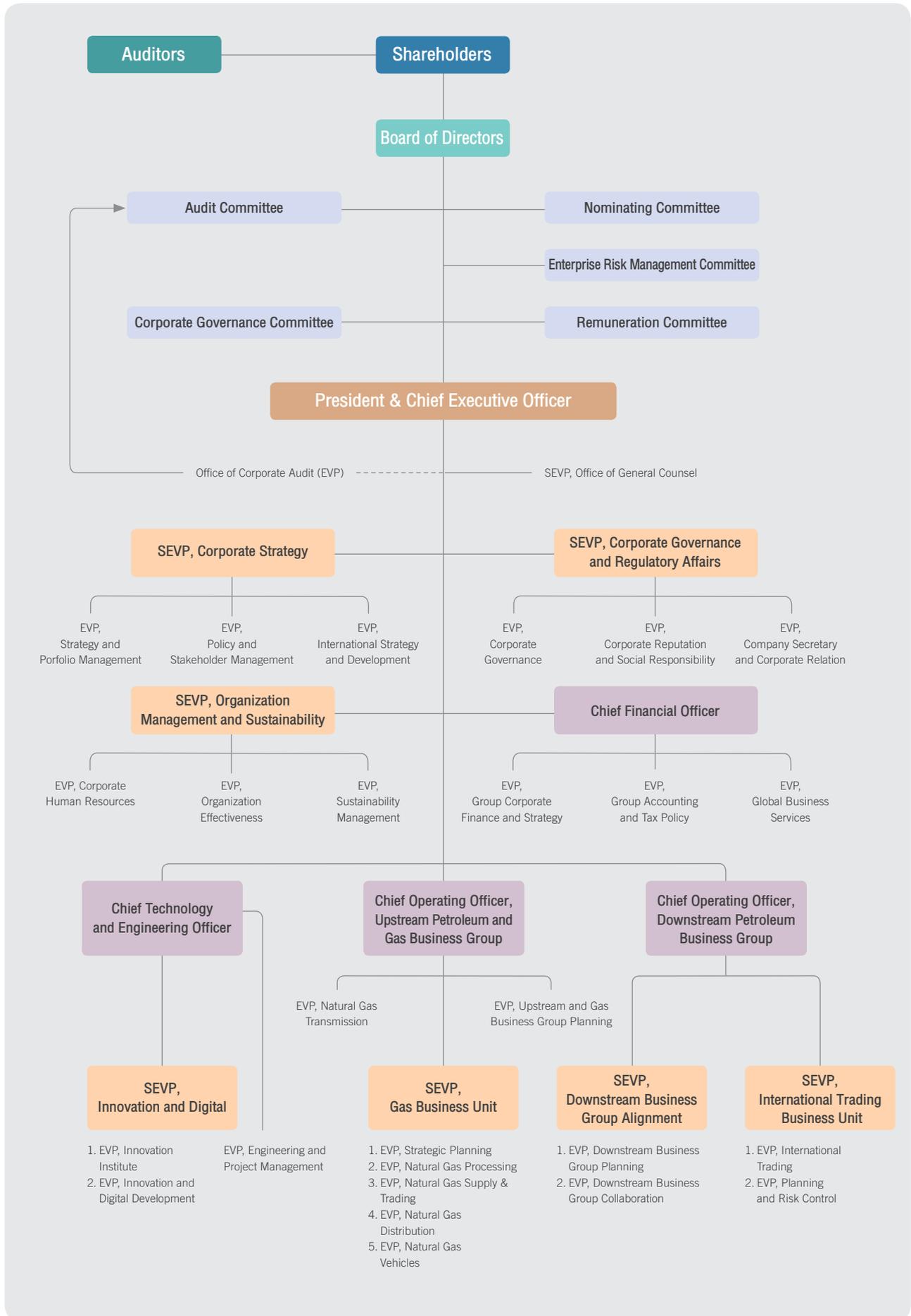
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## 7.1 Governance Structure

### Management Structure

PTT Public Company Limited's management structure as of January 1, 2020, comprises of the Board of Directors and five specific committees to consider significant matters: the Audit Committee, Nominating Committee, Remuneration Committee, Corporate Governance Committee, and Enterprise Risk Management Committee. The President & CEO (President) is the top executive who manages PTT's business groups through 3 groups of 29 management committees.





## 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 one-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 December 21, 2020, the PTT Board consisted of 15 directors as follows:

- 14 non-executive directors (93.33% of the entire Board)
- 11 independent directors, which exceeds one-half of the Board (73.33% of the entire Board)
- 1 executive director
- 2 female directors (13.33% of the entire Board).

### 7.2.2 The Current Board of Directors

The Board of Directors as of December 31, 2020, consisted of:

No.	Name	Position	Appointed Date
1.	Professor Dr. Thosaporn Sirisumphand	Independent Director/ Chairman of the Board (appointed as an Independent Director effective from November 6, 2020, and as a Chairman effective from November 18, 2020)	November 6, 2020 (First term)
2.	Professor Dr. Kittipong Kittayarak	Independent Director/ Chairman of the Audit Committee	July 1, 2014 (First term) April 28, 2017 (Second term) July 3, 2020 (Third term)
3.	Mr. Don Wasantapruek	Independent Director/ Chairman of the Nominating Committee	July 26, 2014 (First term) April 11, 2016 (Second term) April 11, 2019 (Third term)
4.	Gen. Teerawat Boonyawat	Independent Director/ Chairman of the Remuneration Committee	April 11, 2019 (First term)
5.	Mrs. Nuntawan Sakuntanaga	Independent Director/ Chairman of the Corporate Governance Committee	July 1, 2014 (First term) April 9, 2015 (Second term) April 12, 2018 (Third term)
6.	Dr. Pailin Chuchottaworn	Independent Director/ Chairman of the Enterprise Risk Management Committee	September 11, 2020 (First term)

No.	Name	Position	Appointed Date
7.	Mr. Danucha Pichayanan	Independent Director/ Member of the Audit Committee (having adequate knowledge and experience to review the reliability of financial statements)	April 12, 2018 (First term)
8.	Mr. Krishna Boonyachai	Independent Director/ Member of the Audit Committee (having adequate knowledge and experience to review the reliability of financial statements)	July 3, 2020 (First term)
9.	Professor Dr. Surapon Nitikraipot	Independent Director/ Member of the Nominating Committee/ Member of the Corporate Governance Committee	April 12, 2018 (First term)
10.	Dr. Thon Thamrongnawasawat	Independent Director/ Member of the Corporate Governance Committee/ Member of the Enterprise Risk Management Committee	November 18, 2016 (First term) April 12, 2018 (Second term)
11.	Mr. Chumpol Rimsakorn	Director/ Member of the Remuneration Committee/ Member of the Enterprise Risk Management Committee	December 21, 2018 (First term) April 11, 2019 (Second term)
12.	Pol.Gen. Rungroj Sangkram	Independent Director/ Member of the Remuneration Committee/ Member of the Enterprise Risk Management Committee	July 3, 2020 (First term)
13.	Mrs. Premrutai Vinaiphath	Director/ Member of the Enterprise Risk Management Committee	July 3, 2020 (First term)
14.	M.L. Chayotid Kridakon	Director	December 16, 2020 (First term)
15.	Mr. Auttapol Rerkpiboon	Director and Secretary to the Board (President & CEO)	May 13, 2020 (First term)

**Remarks:**

In 2020 the Board/ the Annual General Meeting (AGM) appointed new directors to replace those who had either completed their terms and/or resigned as follow;

- No. 1: Professor Dr. Thosaporn Sirisumphand was appointed as an independent director with effect from November 6, 2020 (replacing Mr. Krairit Euchukanonchai, an independent director/ Chairman of the Board, who retired from the directorship of PTT due to his completion of 65 years of age with effect from November 6, 2020), and was appointed as Chairman of the Board with effect from November 18, 2020.
- No. 6: Dr. Pailin Chuchottaworn was appointed as an independent director with effect from September 11, 2020, replacing Mr. Supattanapong Punmeechaow, who resigned with effect from July 23, 2020.
- No. 8: Mr. Krishna Boonyachai was appointed as an independent director with effect from July 3, 2020, replacing Mr. Nuttachat Charuchinda, who retired from the directorship of PTT due to his completion of 65 years of age with effect from January 17, 2020.
- No. 12: Pol. Gen. Rungroj Sangkram was appointed as an independent director with effect from July 3, 2020, replacing Mr. Vichai Assarasakorn, who retired by rotation at the 2020 Annual General Meeting (AGM).
- No. 13: Mrs. Premrutai Vinaiphath was appointed as a director with effect from July 3, 2020, replacing Mr. Sarawut Kaewtathip, who retired by rotation at the 2020 Annual General Meeting (AGM).
- No. 14: M.L. Chayotid Kridakon was appointed as a director with effect from December 16, 2020, replacing Professor Dr. Supot Teachavorasinskun, who resigned with effect from December 1, 2020.
- No. 15: Mr. Auttapol Rerkpiboon was appointed as President and Chief Executive Officer (President & CEO/ Director and Secretary to the Board of Directors) with effect from May 13, 2020, replacing Mr. Chansin Treenuchagron, who completed his term with effect from May 13, 2020.

## 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 of Directors is authorized to appoint the President and CEO who has been nominated under the nomination process and procedures under relevant laws and regulations. The President and CEO shall be a director and secretary to the Board of Directors.

### Duties and Responsibilities of the Board

The Board is to:

- Carry out its duties under PTT's Articles of Association and ensure that management complies with applicable laws, PTT's objectives, Articles of Association, and resolutions of shareholders' meetings.
- Define PTT's vision, directions, strategies, policies and major plans and consider potential risks so as to ensure that management can effectively drive plans into practice.
- Monitor and ensure plan implementation in line with PTT's major strategies and policies, including objectives, financial targets and operating plans, and budget.
- Institute systems for corporate accounting, financial reporting and auditing, as well as the efficient and effective internal control and internal audit systems.
- Oversee and supervise issues regarding potential conflicts of interest and related-party transactions.
- Define comprehensive risk management guidelines and ensure an efficient risk management system or process.
- Ensure a suitable remuneration system or mechanism for senior management to induce short-term and long-term motivation.

- Assess the performance of the President & CEO and decide suitable remuneration.
- Ensure suitable communicating channels with each group of shareholders and stakeholders.
- Ensure accurate, clear, transparent, reliable, and high-quality disclosure of information.
- Express leadership and be role models for performance excellence.

### The Board's Additional Authority Includes:

- Approve long-term investment, such as common stocks, preferred stocks, bonds, debentures and 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 CEO's approval authority.
- Consent to employ, appoint, transfer, or promote employees serving as senior 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 December 21, 2020, 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) Two out of these three directors: Mr. Don Wasantapruek, Professor Dr. Surapon Nitikraipot, or Pol. Gen. Rungroj Sangkram, 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. 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 present. As of December 31, 2020, the Board had 11 independent directors, 2 female directors, and all of them resided in Thailand. 7 directors are experts in accounting and finance, namely Mrs. Nuntawan Sakuntanaga, Mr. Danucha Pichayanan, Mr. Chumpol Rimsakorn, Professor Dr. Surapon Nitikraipot, Dr. Pailin Chuchottaworn, Mr. Krishna Boonyachai and M.L. Chayotid Kridakon.
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 more persons as directors, provided that no vote is divisible.
    - (3) Candidates with the highest numbers of votes are to be appointed directors up to the number required at the meeting.
    - (4) If candidates get equal votes, which make 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 Limited Company Act 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 never been sentenced to imprisonment, except for violations of the law by negligence or a petty offence.
- Must not be a political official, except for holding a directorial position under a provision of law.
- Must not hold any position in a political party or be an official of political party.
- Must never have been 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, or 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 boards 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 4<sup>th</sup>, on term holding, a director can hold office up to 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.

Moreover, 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 are listed in the Director's Pool of the Ministry of Finance. As of December 31, 2020, 11 out of 15 PTT directors' names were listed in the Director's Pool.

## 7.3 Specific Committees

### PTT five specific committees are as follows:

#### (1) The Audit Committee

Each quarter the Audit Committee, together with the Financial and Accounting functions and the external auditor (EY Office Co., Ltd.), 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 Ms. Waraporn Prapasirikul, C.P.A. No. 4579, of EY Office Co., Ltd. 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 laws and SET. The committee must consist of at least three directors. As of December 31, 2020, it consisted of three independent directors as follows:

Name	Position	Remarks
1. Professor Dr. Kittipong Kittayarak	Chairman	Independent Director
2. Mr. Danucha Pichayanan	Member	Independent Director
3. Mr. Krishna Boonyachai	Member	Independent Director

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

#### Remarks :

1. Professor Dr. Kittipong Kittayarak was appointed Chairman with effect from July 3, 2020. (Mr. Vichai Assarasakorn was Chairman from April 11, 2019 to July 3, 2020).
2. Mr. Danucha Pichayanan was appointed member with effect from April 11, 2019. He commands sufficient expertise and experience to review and ensure the accuracy and credibility of financial statements, with experience as member of the Audit Committee of the Provincial Electricity Authority.
3. Mr. Krishna Boonyachai was appointed member with effect from July 3, 2020. He commands sufficient expertise and experience to review and ensure the accuracy and credibility of financial reports.

## Duties and Responsibilities

1. Prepare a charter on internal audit for the Audit Committee that is compatible with PTT's scope of work and responsibilities. The charter must be approved by the Board and revised at least once a year.
2. Review the efficiency and effectiveness of CG, risk management, and internal control processes.
3. Review PTT's financial reporting process to ensure accuracy and credibility.
4. Review compliance with laws, regulations, procedures, cabinet resolutions, SET requirements, SEC laws, and announcements or directives relevant to PTT's businesses.
5. Ensure sound internal audit procedures and review the adequacy of the budget and personnel and the independence of the Office of Corporate Audit.
6. Consider connected transactions or transactions of potential conflicts of interest or potential corruption affecting PTT's operations under SET's laws and requirements.
7. Provide recommendations to the Board on the appointment, transfer, promotion, and assessment of the head of the Office of Corporate Audit.
8. Select, nominate and recommend fees for the external auditor to the Board.
9. Coordinate audit findings with the external auditor and recommend reviews or verification of any items, if necessary.
10. Report internal audit performance to the Board at least quarterly, except for the fourth quarter, which is reserved for the annual report. The reports must be submitted to the regulating ministry and the Ministry of Finance for acknowledgment.
11. Evaluate its own internal audit performance at least once a fiscal year and report the results to the Board.
12. Disclose a report on its annual performance and the fees of the external auditor in the annual report.
13. The chairman or members of the Audit Committee must attend shareholders' meetings to address matters related to the committee or the appointment of the external auditor.
14. If independent opinions from advisers or specialists are needed on PTT's assorted operations, the Audit Committee may propose to the Board to invite or to hire such advisers or specialists at PTT's expenses.
15. If internal reports show any sign of violation against laws, regulations, procedures, Cabinet resolutions, announcement, or directives relating to PTT's businesses, senior management must be informed and responsible unit(s) ordered to take due actions.
16. Hold committee meetings at least every quarter and a meeting with the external auditor in the absence of management at least once a year.
17. Hold a formal meeting with management at least once a year.
18. Perform other tasks as required by the law or as assigned by the Board within the committee's scope of duties and responsibilities.

These are in line with PTT's Articles of Association on the Audit Committee and the Office of Corporate Audit 2020.

This year the committee held 14 meetings and duly reported its findings to the Board. In addition, it participated in quarterly audits along with the external auditor and the Financial and Accounting 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, 2020, it consisted of:

Name	Position	Remark
1. Mr. Don Wasantapruek	Chairman	Independent Director
2 Professor Dr. Surapon Nitikraipot	Member	Independent Director
3. Pol.Gen. Rungroj Sangkram	Member	Independent Director

The Company Secretary served as secretary.

### Remarks:

1. Mr. Don Wasantapruek was appointed Chairman with effect from December 23, 2018.
2. Professor Dr. Surapon Nitikraipot was appointed member with effect from April 25, 2018 to April 11, 2019, and from October 1, 2019.
3. Pol.Gen. Rungroj Sangkram was appointed member with effect from December 17, 2020, replacing Professor Dr. Supot Teachavorasinskun, who resigned.

## Duties and Responsibilities

1. Define the methods and criteria for directors' nomination for transparency.
2. Select director nominees to fill vacancies (due to resignation or term completion) for the Board's or the shareholders' consideration and appointment with due regard for the composition of the Board, expertise, competencies, and experience useful to PTT in compliance with PTT's Board Skill Matrix and the Director's Pool of the Ministry of Finance and Thai Institute of Directors (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 directors for specific committee duties with due regard for the committees' compositions, qualifications, expertise, and competencies. Then these names are to be tabled for the Board's appointment. An exception is for the committee itself, which is to be appointed by the Board.
4. Be directly accountable to the Board, while the Board is accountable for PTT's businesses to all stakeholders.
5. Assess its own performance and report the outcomes to the Board for acknowledgment and disclose them in the annual report.
6. Disclose its own performance in the annual report.
7. Hold at least two meetings a year.
8. Perform other tasks as assigned by the Board.

Directors' recruitment procedures 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 CG 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 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, and Sustainable Development.

2. The committee summarizes its recruitment results and presents to the Board a shortlist of qualified candidates along with supporting rationale.
3. The Board appoints 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 to the guidelines on the appointment of state enterprise director under the Cabinet resolution of August 6, 2019.

This year the committee held 9 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, 2020, it consisted of:

Name	Position	Remark
1. General Teerawat Boonyawat	Chairman	Independent Director
2. Mr. Chumpol Rimsakorn	Member	Director
3. Pol.Gen. Rungroj Sangkram	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. Chumpol Rimsakorn was appointed member with effect from December 23, 2018.
3. Pol.Gen. Rungroj Sangkram was appointed member with effect from July 3, 2020.

### Duties and Responsibilities

1. Define the criteria for remuneration and propose fair, sensible remuneration for directors and committee members for the Board's and the shareholders' approval.
2. Propose guidelines for assessing performance outcomes and remuneration for the President & CEO to the Board's for approval.

3. Acknowledge and comment on organization restructuring and job levels, and assess and decide remuneration for senior executive vice presidents.
4. Be accountable to the Board directly, while the Board is accountable for PTT's businesses to all stakeholders.
5. Assess its own performance outcomes and report the findings to the Board for acknowledgment and disclose them in the annual report.
6. Disclose its own performance in the annual report.
7. Hold at least two meetings a year.
8. Perform other Board-assigned tasks.

This year the committee held 5 meetings, with all 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 Committee

The Board approved the appointment of the Corporate Governance Committee on June 24, 2004, by appointing three directors. As of December 31, 2020, it consisted of:

Name	Position	Remark
1. Mrs. Nuntawan Sakuntanaga	Chairman	Independent Director
2. Professor Dr. Surapon Nitikraipot	Member	Independent Director
3. Dr. Thon Thamrongnawasawat	Member	Independent Director

The Senior Executive Vice President, Corporate Governance and Regulatory Affairs, and Senior Executive Vice President, Office of General Counsel, served as secretary, and the Executive Vice President, Corporate Governance, and the Executive Vice President, Company Secretary and Corporate Relation, served as assistant secretaries.

##### Remarks:

1. Mrs. Nuntawan Sakuntanaga was appointed Chairman with effect from July 3, 2020. (Professor Dr. Kittipong Kittayarak was Chairman from April 11, 2019 to July 3, 2020)
2. Professor Dr. Surapon Nitikraipot was appointed member with effect from December 23, 2018.
3. Dr. Thon Thamrongnawasawat was appointed member from November 18, 2016 to April 11, 2019, and from October 1, 2019, replacing Mr. Somsak Chotrattanasiri, who resigned.

#### Duties and Responsibilities

1. Supervise Corporate Governance, Operational Risk Management and Internal Control, and Compliance (GRC), Anti-Fraud and Corruption, Sustainability Management (SM), and Corporate Social Responsibility (CSR) for society, community and environment.
  - Advise and recommendations to the Board and the management on matters dealing with the PTT Good Corporate Governance, Code of Conduct and Code of Business Ethics.

- Approve PTT's objectives, goals, strategies, management framework, and provide policy and operational guidelines annually in line with PTT's strategies and objectives as well as international practices.
  - Supervise and monitor CG implementation and report the findings to the Board.
  - Advise the Governance, Risk and Compliance Management Committee (GRCMC).
2. Establish the policy of allowing minor shareholders to nominate directors and propose AGM agenda items.
  3. Establish the policies and define the scopes for supervising matters dealing with PTT's whistleblowing mechanism for complaints and anti-fraud and corruption practices.
  4. Perform other Board-assigned tasks.
  5. Hold at least one meeting each quarter.

This year the committee held 9 meetings with all committee members at the time in attendance. The Senior Executive Vice President, Corporate Governance and Regulatory Affairs, and the Senior Executive Vice President, Office of General Counsel, served as joint secretary to the committee.

The Corporate Governance Committee disclosed its annual performance in the Report of the Corporate Governance 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, at least one of whom must be an independent director. As of December 31, 2020, it consisted of:

Name	Position	Remark
1. Dr. Pailin Chuchottaworn	Chairman	Independent Director
2. Dr. Thon Thamrongnawasawat	Member	Independent Director
3. Mr. Chumpol Rimsakorn	Member	Director
4. Mrs. Premrutai Vinaiphath	Member	Director

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

### Remarks:

1. Dr. Pailin Chuchottaworn was appointed Chairman, with effect from September 11, 2020 replacing Mr. Supattanapong Punmeechaow, who resigned. (Mr. Supattanapong Punmeechaow was Chairman from October 1, 2019 to July 22, 2020)
2. Dr. Thon Thamrongnawasawat was appointed Chairman from April 25, 2018, and as member with effect from October 1, 2019.
3. Mr. Chumpol Rimsakorn was appointed member with effect from October 17, 2019.
4. Mrs. Premrutai Vinaiphath was appointed member with effect from July 3, 2020.

In 2020, the committee's duties and responsibilities have been revised to embrace screening and commenting on investment items, and the innovation policy and master plans.

## Duties and Responsibilities

1. Define and review PTT's risk management and corporate stakeholder management policies and scopes
2. Supervise and support 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 development of the 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 outcomes and stakeholder management outcomes to the Board at least every quarter. For factors or events with potential 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 the Management Committee.
9. Screen and comment on investment agenda:
  - PTT's and PTT Group's wholly-owned investment projects 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 board meetings in question
  - Investment with risks potentially significantly impacting PTT or its stakeholders, as endorsed by the 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 acknowledgement at least every quarter
14. Hold at least one meeting each quarter
15. Perform other Board-assigned duties.

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

This year the Committee held 10 meetings with all committee members at the time in attended. The Senior Executive Vice President, Corporate Strategy, 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, 2020

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

Name	Position
1 Mr. Auttapol Rerkpiboon <sup>1/</sup>	President & CEO
2 Mr. Atikom Terbsiri	Chief Operating Officer, Upstream Petroleum and Gas Business Group
3 Mr. Kris Imsang <sup>2/</sup>	Chief Operating Officer, Downstream Petroleum Business Group
4 Mr. Wittawat Svasti-Xuto	Chief Technology and Engineering Officer
5 Ms. Pannalin Mahawongtikul	Chief Financial Officer
6 Mrs. Arawadee Photisaro	Senior Executive Vice President, Corporate Strategy
7 Mr. Terdkiat Prommool <sup>3/</sup>	Senior Executive Vice President, Organization Management and Sustainability
8 Ms. Duangporn Thiengwatanatham	Senior Executive Vice President, Corporate Governance and Regulatory Affairs
9 Ms. Peangpanor Boonklum	Senior Executive Vice President, Office of General Counsel
10 Mr. Wuttikorn Stithit	Senior Executive Vice President, Gas Business Unit
11 Dr. Buranin Rattanasombat <sup>4/</sup>	Senior Executive Vice President, Downstream Business Group Alignment
12 Mr. Disathat Panyarachun	Senior Executive Vice President, International Trading Business Unit
13 Mr. Noppadol Pinsupa <sup>5/</sup>	Senior Executive Vice President, Innovation and Digital
14 Mr. Montri Rawanchaikul <sup>6/</sup>	Senior Executive Vice President, seconded to President, and Acting Executive Vice President, Production Asset Group, PTT Exploration and Production Plc.
15 Dr. Kongkrapan Intarajang	Senior Executive Vice President, seconded to CEO, PTT Global Chemical Plc.
16 Mr. Wirat Uanarumit	Chief Operating Officer, seconded to CEO and President, Thai Oil Plc.
17 Mr. Chawalit Tippawanich <sup>7/</sup>	Senior Executive Vice President, seconded to President and CEO, IRPC Plc.

Name	Position
18 Ms. Jiraphon Kawswat	Senior Executive Vice President, seconded to Acting President and CEO, PTT Oil and Retail Business Plc.
19 Mr. Worawat Pitayasiri <sup>8/</sup>	Senior Executive Vice President, seconded to President and CEO, Global Power Synergy Plc.
20 Mr. Yongyos Krongphanich <sup>9/</sup>	Executive Vice President, Group Corporate Finance and Strategy
21 Ms. Wilaiwan Kanjanakanti	Executive Vice President, Group Finance and Accounting Policy
22 Ms. Jaroonsri Wankertphon <sup>10/</sup>	Executive Vice President, Global Business Services

*Remarks:*

No. 1 - 5 are "Management" under SEC's notification.

1/ Appointed on May 13, 2020, replacing Mr. Chansin Treenuchagron, who completed his term.

2/ Appointed on June 1, 2020, replacing Mr. Auttapol Rerkpiboon, who was appointed as President & CEO.

3/ Appointed on October 1, 2020, replacing Mr. Preecha Pocatanawat, who retired.

4/ Appointed on June 1, 2020, replacing Mr. Kris Imsang, who was appointed Chief Operating Officer, Downstream Petroleum Business Group.

5/ Appointed on December 1, 2020, replacing Mr. Worawat Pitayasiri, who was appointed as SEVP, and seconded to President and CEO, Global Power Synergy Plc.

6/ Appointed on October 1, 2020, replacing Mr. Phongsthorn Thavisin, who retired.

7/ Appointed on December 1, 2020, replacing Mr. Noppadol Pinsupa, who was appointed as SEVP, Innovation and Digital.

8/ Appointed on December 1, 2020, replacing Mr. Chawalit Tippawanich, who was appointed as SEVP, and seconded to President and CEO, IRPC Plc.

9/ Transferred to PTT Exploration and Production Plc. with effect from December 31, 2020.

10/ Appointed on October 1, 2020, replacing Mr. Chienvit Udomwatwong, who retired.

### The Managements appointed/ changed the name of position on January 1, 2021

Name	Position
1. Ms. Wilaiwan Kanjanakanti	Executive Vice President, Group Finance and Accounting Policy, changed the name to Executive Vice President, Group Accounting and Tax Policy with effect from January 1, 2021.
2. Mrs. Chanamas Sasnanand	PTTEP Senior Vice President, seconded to PTT as Executive Vice President, Corporate Finance and Strategy, replacing Mr. Yongyos Krongphanich, with effect from January 1, 2021.

## Duties and Responsibilities of the President & 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:

- Operating or managing day-to-day business, or both.
- Hiring, appointing, removing, transferring, promoting, demoting, deducting the salary or wages of, punishing, and dismissing any employee under the Board's regulations.
- Ensuring the preparation and submission of business policies, including operating plans and budget estimates, for the Board's approval, and reporting performance outcomes to the Board every three months.
- Ensuring implementation of the Board-approved policies, plans, and budget.

The Board authorized 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. This year 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, 2020, the Committee consisted of 14 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 Technology and Engineering 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 Digital	Member
10. Senior Executive Vice President, Organization Management and Sustainability	Member
11. Senior Executive Vice President, Office of General Counsel	Member
12. Senior Executive Vice President, Corporate Governance and Regulatory Affairs	Member
13. Senior Executive Vice President, Corporate Strategy	Member and Secretary
14. Executive Vice President, Company Secretary and Corporate Relation	Assistant Secretary

The Management Committee meets at least twice a month. This year, there were altogether 49 meetings (47 regular and 2 special meetings).

## Duties and Responsibilities

Provide advice and recommendations to the President on significant issues regarding corporate strategy and business directions, long-term planning, business performance, investment plans, budgets, 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 visions and key missions for PTT Group.
- Establish directions, strategies, and business targets for the 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 the group
- Consider the capital allocation structure (budget 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's extended international investment.
- 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 and recommendations on the establishment of standards/ mechanisms for the systems of business administration, human resources and information, as well as business processes and organizational structures of PTT and its affiliates in order to be a corporation of sustainability excellence.
- Consider, screen, define policies and principles for the PTT Way of Conduct, and ensure desirable direction.
- Rank 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 technology and engineering businesses.
- Follow up progress and assesses 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.
- Rank Board decisions to ensure effective implementation.
- Appoint committees or working groups, or both, to assist the Board's tasks.
- Perform other work as may be 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 groups:

### 1. Strategy Committees:

- 1.1 PTT Group Management Committee (PTTGMC)
- 1.2 PTT Management Committee (PTTMC) (mentioned above)
- 1.3 Minor PTT Group Management Committee: Minor PTTGMC

### 2. Coordination Committees:

- 2.1 Upstream & Gas Business Group Alignment & Coordination Management Committee (UAC)
- 2.2 Downstream Business Group Alignment & Coordination Committee (DAC)
- 2.3 Technology and Engineering Group Alignment & Coordination Management Committee (TEAC)
- 2.4 PTT Group Technology Committee (PTTGTC)
- 2.5 Sustainability Alignment Committee (SAC)
- 2.6 Gas Business Strategic Alignment Committee (GBSC)
- 2.7 Downstream Petroleum Business Group Strategic Alignment Committee (DBSC)
- 2.8 Trading Business Strategic Alignment Committee (TBSC)
- 2.9 Trading Risk Management Committee (TRMC)

### 3. Support Committees:

- 3.1 Corporate Plan and Risk Management Committee (CPRC)
- 3.2 Governance, Risk and Compliance Management Committee (GRCMC)
- 3.3 Human Resources Group Alignment & Coordination Management Committee (HRAC)

- 3.4 Finance & Accounting Group Alignment & Coordination Management Committee (FAAC)
- 3.5 PTT Group Core Values & KM Alignment Committee
- 3.6 PTT Group Internal Audit Management Committee
- 3.7 PTT Group Digital Steering Committee
- 3.8 PTT Group Policy & Strategic Sourcing Committee
- 3.9 PTT Group Sustainability Management Committee (GSMC)
- 3.10 PTT Group Brand Equity Optimization Committee
- 3.11 PTT Group Operational Excellence Steering Committee (OpEx SteerCo.)
- 3.12 PTT Group Corporate Governance Committee
- 3.13 PTT Group CSR Committee
- 3.14 Social Enterprise Committee
- 3.15 International Business Development Committee (IBDC)
- 3.16 Information Security Management System Committees (ISMSC)
- 3.17 PTT Innovation Management Committee (PTT IMC)

## Succession Plan

Because PTT is a state enterprise, the nomination and appointment of the President & CEO must follow the Standard Qualifications of Directors and State Enterprise Officer Act. The directors must possess the qualifications as specified in Section 8 ter, and the nominating procedures as specified in Section 8 quarter. The Board is to appoint a Nominating Committee with five members legitimately qualified to nominate persons with appropriate knowledge, capability, and experience to fill the positions of PTT management. They must be legitimately qualified with no prohibited characteristics and cannot be PTT directors, except for management who are directors by title. They must not be older than 58 years old when submitting the application form. When the Nominating Committee has selected appropriate candidates, The result will be submitted to the authority's consideration. The appointment must be completed within

a year since the day the incumbent left the position. The employment contract lasts up to four years for each term. If the Board wishes to hire the previous person after the completion of his term as specified in the employment contract, it does not have to go through the nominating process. However, it cannot hire that person for more than two consecutive terms.

In 2019, the Board proceeded with the nomination of the new President & CEO to replace Mr. Chansin Treenuchagron, who would complete his term under the employment contract on May 12, 2020. The President & CEO Nominating Committee was appointed as required by the Standard Qualifications of State Enterprise Directors and Officials Act B.E. 2518 (1975). Six fully qualified candidates applied for the position, all PTT management personnel. The nominating process was transparently conducted in compliance with Section 8, paragraph 3, of the above-mentioned act and its amendments. The President & CEO Nominating Committee proposed a qualified candidate to the Board for consideration. On December 19, 2019, the Board approved the Committee's proposal and appointed Mr. Auttapol Rerkpiboon as the new President & CEO, succeeding Mr. Chansin Treenuchagron. Mr. Auttapol Rerkpiboon assumed office on May 13, 2020 for a four-year term from the date of appointment.

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 of PTT Group that become vacant, namely:

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

Management mechanisms are:

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

## Performance in 2020

- Selection of SEVP pool members from potential EVPs (PTT Group)
  - 43 pool members (as of December 31, 2020)
  - 40 pool members already promoted (2008 - 2020)
- Selection of EVP pool members from potential VPs (PTT Group)
  - 117 pool members (as of December 31, 2020)
  - 78 pool members already promoted (2009 - 2020)
- Selection of VP pool members from PTT potential division managers (PTT)
  - 139 pool members (as of December 31, 2020)
  - 240 pool members already promoted (2009 - 2020).

## Labor Disputes

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

## Management's Remuneration Policy

### Management's Remuneration

Management Remuneration was set in accordance with the policy and regulations set by the PTT Board of Directors, aligning with the Performance Agreement (PA) of the Company given by the Ministry of Finance. The President & CEO and all executives had together set Key Performance Indicators (KPIs) every year, as well as achievement targets in line with long-term business strategies. These indicators included business aspects, according to the balance scorecard such as finance, customers, internal processes, learning and developing, products, and human resources. These are for the Company to set the business directions and for the performance evaluation of the President & CEO and all executives.

The Remuneration Committee is responsible for considering the remuneration of the President & CEO to reflect his performance management which are also in line with the principles and the standards of other industrial peers, with clear criteria, transparency and fairness. As a result, the annual salary increase and bonus payment would align with KPIs, short-term and long-term performance that tally with PTT's strategy. Overall, it should reflect his visions and the additional values and capacity enhancement for company in the long run. The principles and the appropriate remuneration must be presented to the Board of Directors for approval. To this end, key factors to evaluate the performance of President & CEO were 1) PTT's performance 2) the performance based on the visions, and 3) management capability and leadership.

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

**Total Remuneration Paid to President & CEO in 2020**

Unit: THB

Remuneration (President & CEO)	2020
	Amount
Total Remuneration	30,772,423
Bonus	7,939,778
<b>Total</b>	<b>38,712,201</b>

*Remarks:*

The salary of the President & CEO included an allowance for additional tasks, namely the position of Chairman or Director (or both) of PTT's subsidiaries. He has been complied with the employment term contract as president.

**Total Remuneration Paid to Top Management according to SEC's Definition (4 persons) in 2020**

Unit: THB

Remuneration	2020	
	Management (under SEC's Definition)	
	Person	Amount (THB)
Salary	4	31,623,762
Bonus	4	14,357,096
<b>Total</b>		<b>45,980,858</b>

**Total Remuneration Paid to Management (5 persons) from 2017 - 2020**

Unit: THB

Remuneration	2017		2018		2019		2020	
	Person	Amount (THB)						
Salary	5	59,587,470	5	62,930,910	5	60,436,160	5	62,396,185
Bonus	5	22,880,880	5	24,672,468	5	24,474,078	5	22,296,874
<b>Total</b>		<b>82,468,350</b>		<b>87,603,378</b>		<b>84,910,238</b>		<b>84,693,059</b>

### Remuneration Paid to Top 5 Management according to SEC's Definition as Chairman and Directors of PTT Group and Subsidiaries in 2020

Unit: THB

Remuneration	2020	
	Person	Amount (THB)
Meeting Allowance and Monthly Allowance	5	14,202,084.34
Bonus	5	14,951,245.29
<b>Total</b>		<b>29,153,329.63</b>

*Remarks:*

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 been complied with the employment term contract as president.

### Provident Fund Contribution to Management from 2017 - 2020

Unit: THB

Remuneration	2017		2018		2019		2020	
	Person	Amount (THB)						
Provident Fund Contributions	4	3,632,300.50	4	3,708,690.50	4	3,836,735.80	4	5,460,684.00

Additional information on the Board and 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 pivotal to corporate operations, and their quality is a key to its business success. PTT, therefore, stresses the development of HR management systems compatible with technological advancement and international standard. It not only promote both conscientious merit and business competence among its employees, but also encourage them 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, 2020, stood at 3,506. 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 2017 to 2020 were as follows:

Unit: person

Business Unit	2017		2018		2019		2020	
	PTT	PTT Group						
1. Gas	1,281	-	1,393	-	1,417	-	1,440	-
2. Oil	1,486	-	- <sup>3/</sup>	-	-	-	-	-
3. Petrochemicals and Refining	100	-	144	-	124	-	141	-
4. Technology and Engineering	507	-	380	-	394	-	429	-
5. Support staff/ secondees to PTT affiliates	1,084 <sup>1/</sup>	239 <sup>2/</sup>	1,144 <sup>1/</sup>	654 <sup>2/</sup>	1,167 <sup>1/</sup>	476 <sup>2/</sup>	1,117 <sup>1/</sup>	379 <sup>2/</sup>
6. Subsidiaries and jointly-controlled entities	-	25,036	-	25,959	-	27,511	-	29,042
<b>Total</b>	<b>4,458</b>	<b>25,275</b>	<b>3,061</b>	<b>26,613</b>	<b>3,102</b>	<b>27,987</b>	<b>3,127</b>	<b>29,421</b>

Remarks:

1/ Excluding PTT secondments.

2/ PTT secondments.

3/ On July 1, 2018, the Oil Business Unit was isolated and became PTT Oil and Retail Business Plc.

**Remuneration for Personnel (excluding the President and management) from 2017 – 2020**

Unit: THB

Remuneration	2017	2018 <sup>1/</sup>	2019	2020
Salary	4,282,921,717.48	4,104,427,784.01	3,855,819,435.99	3,966,160,901.90
Bonus	2,115,503,048.90	1,980,862,083.68	1,915,330,097.81	1,628,293,859.46
Contribution to Provident Fund	506,518,662.19	489,326,712.01	464,877,921.50	477,524,458.33
Others (if any)	3,778,463,866.70	3,286,987,468.56	3,629,328,277.20	2,077,146,865.96
<b>Total</b>	<b>10,683,407,295.27</b>	<b>9,861,604,048.26</b>	<b>9,865,355,732.50</b>	<b>8,149,126,085.65</b>

*Remarks:*

1/ On July 1, 2018, the Oil Business Unit was isolated and became PTT Oil and Retail Business Plc. Therefore, remuneration for personnel from the Oil Business Unit for 2018 included January to June only.

PTT sets the remuneration of employees based on the short-term and long-term performance through Performance Management, a system is set 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.

PTT employee's 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 corporate KPIs and business/ operational/ personal, or functional KPIs. Personal KPIs must align with the four aspects of the balance scorecard, namely finance, customers, internal process, and learning and developing. To achieve the Company's targets sustainably, PTT had added two more important aspects, namely products and personnel, in reply to 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 targets of the year.

**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 3,462 employees out of the total 3,482 employees of PTT, or 99.43%, have joined the Fund, managed by Krungthai Asset Management Public Company Limited and TISCO Asset Management Company Limited. 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 compared them with the lists of SETTHSI index (Thailand Sustainability Investment) in order to learn of the ratio of its assets and the change every time when 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 up with economic conditions, the cost of living, and other standards peer companies' as well as PTT's current and future performance, achieved through constant revision and improvement. In addition, PTT has adopted Flexible Benefit, in response to the needs of individual employees. Each employee can choose to apply for flexible benefits instead of workmen's contribution 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 moral. 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. Moreover, contribution to the provident fund has been increased, and more choices are available for employee fund contribution to promote employees' financial planning and preparation for retirement.

## 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 toward its goals. PTT employees are able to fully demonstrate their competence, advance in their careers, and continue to grow 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 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.

- Senior management (equivalent to vice presidents upward) undergo Group Leader 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, Human Resources & Organization Excellence, 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, a Corporate Human Resources Committee (HRC) was established to promote and monitor career development planning to ensure goal achievement. A Career Counseling Team (CCT) for 16 professional groups takes charge of defining and developing individuals, providing counseling and guidance, and monitoring and following up on implementation. The 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 will enable all employees to develop skills in their new positions, as will suitable appointments and promotions in line with their responsibilities and potential. With this development framework, employees will be qualified to assume top management positions of PTT Group and enable PTT to achieve its goals.

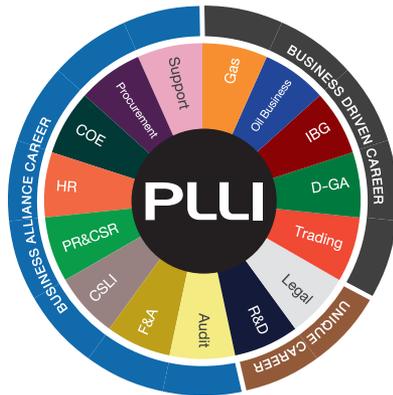
- To ensure that the policy defined and HR management align with and support the business directions of PTT Group, the Human Resources Management Committee (HRMC), appointed to define and propose policies and make decisions on HR management, provide recommendations on the preparedness and development 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.

In 2020, PTT held the Sixth "Young People to Globalization program" (YP2G, Class 6) to develop qualified personnel for overseas posting in line with PTT's strategies. These personnel will be assigned challenging responsibilities through the following core functions: Strategy & Planning, Business Development, Commercial & Marketing, and Engineering & Operation. These tasks will enable them to learn and accrue experience in business acumen through on-the-job training (OJT).

Valuing career and competency management, PTT not only prepared and reviewed the success profile and career path of each position, but also assessed success profiles for alignment with the performance cycle. The employees were urged to discuss their responsibilities with their supervisors (two-way communication) at the beginning of the year. These responsibilities were monitored and evaluated at mid-year and the end of the year to monitor or formulate individual development plans (IDPs), or both, for the employees.

PTT Group encourages and supports employees' learning through the "PTT Leadership and Learning Institute (PLLI)" with goals of establishing standards and developing employees capability through the management and implementation of compulsory courses for all PTT employees in the same direction.

PLLI has continually provided capacity-building courses for management and employees to be "smart and conscientious", leadership development grooming for the organization's growth, and staff capacity-building to prepare them for corporate core competencies, advanced technology, stakeholders' needs and strategic challenges. This year, despite the COVID-19 spread, it has upgraded its learning and development course structure by applying new digital self-learning tools and media to support continued learning: the classroom was replaced by real-time virtual classroom for some courses, which enabled participants to exchange their knowledge, experience and opinions with their instructor through the VDO conference, such as MS Teams, Webex and PTT LMS. Other improved digital learning included, e-learning, Organizational Knowledge, over 100 online learning courses on business, technology, soft skills, lifestyle and many others, PTT E-Library (E-Book, E-Magazine, Magazine, Book) that employees can search, book, borrow, and return via online services, including recommended books for compulsory courses in the electronical format and Podcast, and voice online. All of them support uninterrupted self-development of employees in line with PTT's business direction and strategies and maximum benefit in the development of employees' capacity and modern management. PLLI's course structure covers the development of all employees, from new recruits to top management, as follows;



1. Leadership Development Program is designed to prepare and accelerate 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, internal and external. Participants of this program are potential management team members selected under given criteria.
2. Core Programs are designed to develop the capacity of all employees at each level, position, and career. Supervisors must support employees for training under this program. The program comprises compulsory courses, direction/assignment, essential program, and functional program.
3. Elective Program is designed to develop the capacity of each individual's needs. The line supervisor and employee will together choose additional courses as suitable and necessary, for example, marketing for crisis management, crisis team management and Virtual Agile Team.

## Summary of Human Resource Development

Unit: Hours/person/year

Training hours/person/year	2016	2017	2018	2019	2020
Employee	68.40	40.62	73.67	78.88	30.26
Management	20.91	25.12	73.91	89.15	45.93

Unit: THB/person/year

Expense/person/year	2016	2017	2018	2019	2020
Employee & Management	35,168.35	37,837.83	55,274.35	53,143.21	13,471.73

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

Communication between management and staff comes in various forms. Needing to be aware of corporate business, obstacles, and potential repercussions, employees should be allowed to share their views and take part in business efficiency improvement. Each year, 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 in comparison with those of other leading national businesses for use in their improvement for PTT's regular and temporary employees. PTT also holds Joint Consultation Committee (JCC) meetings between its management team and staff of regional offices nationwide. In addition, the President constantly holds regular meetings with employees, while PTT annually surveys employees' satisfaction and engagement for improvement. PTT believes that proper communication and information exchange among all staff and management will produce smooth relations and cooperation, thus driving the organization toward goal achievement. Moreover, 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. A survey of staff opinions was undertaken by an external human resource management adviser. There was also cooperation with PTT Group to jointly develop a database of management as well as development plans of senior management.

The PTT Labor Relations Committee was established under the State Enterprise Labour Relations Act B.E. 2543 (2000). The committee consists of 19 members with the President as Chairman, nine members representing the employers, and nine members appointed by PTT's Labor Union, representing the employees. The committee considers issues about PTT's operations, employment conditions, employees' rights and benefits, as well as employee complaints.

## 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, and T: Trust and Respect) clearly reflects PTT's identity of smart, conscientious and responsible for the company and the outside society alike.



This year, PTT focused on PTT Group as a leading national energy organization and the national driving force to overcome all changes through technology and innovation, enhance competitiveness of the nation, and develop society and the well-being of the people under the concept of **PTT (Powering Thailand's Transformation)** in response to the consumers' needs and stakeholders' expectations, based on the PTT strategy and PTT concept, or "PTT by PTT", which consisted of:

- **Partnership and Platform:** with emphasis on operating businesses by fostering positive relations with its partners and developing PTT's business into a platform rather than just a manufacturer and product distributor.
- **Technology for All:** by applying technology from expertise, innovation and digital to all aspects of operation processes, and driving outward for innovation creation for society.
- **Transparency and Sustainability:** to ensure transparency and confidence in sustainable business operations.

## 7.6 Other Informations

### Company Secretary

To comply with the CG principles of listed companies under the category of directors' responsibility 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 assorted Board activities to enable them to perform efficiently and effectively in the best interests of PTT; prepare and maintain key documents, including directors' registration, Board meeting notices 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 serves as the Company Secretary.

### Company Secretary



#### Mr. Nisit Phongvutirapant

Company Secretary:

(October 1, 2020 - present)

**Age:** 50

**Shareholding:**

0.000003

**Education:**

- Bachelor of Economics (Development Economics), Bangkok University

**Company Secretary Training Record:**

- Director Certification Program (DCP 195/2014), Company Secretary Program (CSP 113/2020), Thai Institute of Directors Association (IOD)

**Training/ Certification:**

- Advanced Management Program II (Class 1/2018), PTT Leadership and Learning Institute
- Leadership Development Program I (2013), PTT Leadership and Learning Institute
- Bain Academy Asia Pacific 2019 Program, Bain & Company SE Asia, Inc., Singapore

**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 Relations, PTT Public Company Limited
- June 1, 2020 - September 30, 2020  
Senior Executive Vice President, Corporate Strategy, Innovation and Sustainability, OR

- February 1, 2020 - May 31, 2020  
Vice President, Strategy and Portfolio Management, OR
- May 1, 2019 - January 31, 2020  
Vice President, OR, seconded to PTT Oil Myanmar Company Limited
- July 1, 2018 - April 30, 2019  
Vice President, International Business Development and Planning, OR
- May 17, 2017 - April 30, 2019  
Director, PTT Philippines Corporation
- 2012 - April 30, 2019  
Director, PTT (Lao) Company Limited
- January 1, 2017 - June 31, 2018  
Vice President, International Business Development and Planning, PTT Public Company Limited
- September 1, 2013 - December 31, 2016  
Division Manager, PTT, seconded to Managing Director, PTT (Lao) Company Limited

**Related Key Positions Held:**

- -None-

**Important Special Activities**

- Director, Thai Listed Companies Association (TLCA)
- Managing Partner, Phu Luang Kaset Roong Ruang Partnership (1992)

**Relationship with Executives:**

- -None-

## The person supervising accounting

The Executive Vice President, Global Business Services, PTT, is assigned by position to be directly responsible for PTT's accounting. Ms. Jaroonsri Wankertphon has been holding the position since October 1, 2020, replacing Mr. Chienvit Udomwatwong, who retired, and is directly in charge of accounting management. She is a qualified as an accountant under the criteria set by the Department of Business Development. *More profile details appear in 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. Chadil Chavanalikhikorn is the present head of Corporate Audit. More Profile details appear in Part 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, Office of General Counsel, PTT, is by position assigned as Head of Compliance. Ms. Peangpanor Boonklum was appointed to the position and is currently responsible for PTT's compliance. More details about 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

Mrs. Panporn Sasananan, Investor Relations, was appointed Vice President, Investor Relations Department with effect from January 1, 2019, and can be contacted at Investor Relations, PTT, Tel.: 0-2537-3518-9, Email: ptt-ir@pttplc.com, or website PTT (www.pttplc.com).

## Audit Fee

This year, PTT and its subsidiaries paid a total of THB 156,732,930 (one hundred fifty-six million seven hundred thirty-two thousand nine hundred thirty) in audit fees to the office of the external auditors for previous fiscal year. They also paid THB 68,363,920 (sixty-eight million three hundred sixty-three thousand nine hundred twenty) for other services (non-audit fees) such as those for comfort letters issued for subsidiaries' debt management plans for debentures, those for revisiting the Updated Global Medium-Term Notes, and other certification fees in the previous fiscal year.

## 8. Corporate Governance Milestones

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### 8.1 Performance of the Board of Directors in 2020

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

##### (1) Independent Directors

The Board of Directors, at the meeting No. 1/2013 of January 17, 2013, approved the revised definition of the independence of directors, proposed by the Corporate Governance Committee which is 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. Essential elements of the handbook are:

##### Qualifications of independent directors

- (1) Holding shares not exceeding 0.5% of the voting shares of PTT, its subsidiaries, associated companies, or juristic person of potential conflict, including the shares held by persons related to the independent director. ("Person related" shall mean the person under Section 258 of the Securities and Exchange Act).
- (2) Must not be or have been an executive director/ employee/ member of staff/ adviser who receives a regular salary, or authorized controlling person of PTT, its subsidiaries, associated companies, same-level subsidiary company, or juristic person of potential conflict during the past two years before the appointment.
- (3) Must not have blood relationship or by legal registration as the father, mother, spouse, sibling, or offspring, or spouse of the offspring of any other director, executive, major shareholder, authorized controlling person, or any person to be nominated as an executive, or authorized controlling person of PTT or its subsidiaries.

## (4) Business relationship with PTT:

## (a) Types of relationship

- **Professional service**

- Auditor, other professional service providers including legal or financial advisers and property valuers.
- “Non-independent” criteria
  - Total prohibition for auditors
  - Other professional service providers: when the total value exceeds THB 2 million per year.

- **Commercial/ business relationship: (SET’s regulations on connected transactions will be applied):**

- Types of relationship: Full coverage of business transactions, that is, normal business transactions, real-estate leasing, asset/ service transactions, and financial assistance transactions.
- “Non-independent” criteria: Transaction value from THB 20 million or 3% of PTT’s NTA upward (whichever is lower); the total value must include items occurring within six months before this transaction.

(b) Should the relationship under (a) apply to a juristic person, the parties regarded as “non-independent” shall include major shareholders, directors (independent directors and members of the Audit Committee not included), and executives or partners of such juristic person.

(c) Prohibited period for relationships in (a) and (b): Currently and two years before the appointment.

(d) Exception: If necessary and appropriate, and not on a regular or continuing basis, independent directors and members of the Audit Committee may have more relationship than the non-independent criteria while holding directorship, provided that a prior unanimous approval has been given by the Board. Besides, PTT shall disclose such independent director’s relationship in the annual information disclosure form (Form 56-1) and in the annual report (Form 56-2) of PTT. And should PTT decide to reappoint such independent director, PTT is required to disclose such independent director’s relationship in the notices of the next AGM under the agenda on director nomination.

(5) The person must not be a director appointed to represent PTT Board of Directors, its major shareholder, or shareholders who related to PTT’s major shareholder.

(6) Must not have any other characteristic that may hinder expression of independent views.

(7) Independent directors with qualifications under (1) - (6) may be assigned by the Board to make decisions on the operations of PTT, its subsidiaries, associated companies, same-level subsidiary company, or juristic person of potential conflict, provided that the decision must be collective decisions.

PTT is also required to disclose information on office-holding by independent directors of PTT, its subsidiaries or sister company, including their compensation received, in the 56-1 One Report.

Qualifications of independent directors must not contradict relevant laws and regulations.

- Report on independent directors’ business relationship or other professional service provided during the past fiscal year: None.

## Roles, duties and responsibilities of PTT’s independent directors

(1) Recommend essential, beneficial matters to PTT, shareholders and minor shareholders to the Board and/or the President & CEO, as applicable.

(2) Advocate roles and duties of the Board and provide views commonly expected of independent directors for the benefit of PTT and its shareholders and minor shareholders.

(3) Review PTT’s compliance with laws relating to independent directors and revise the definition of independent directors for suitability and legal completeness.

(4) Take other Board-assigned actions provided that they do not compromise their independence.

(5) An independent director’s term begins once he or she fulfills all the requirements under the definition for PTT’s corporate governance (CG); it ends when he or she lacks qualifications or completes the 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 the CG code.

## Independence of the Chairman

Board Meeting No. 11/2020 of November 18, 2020, appointed Professor Dr. Thosaporn Sirisumphand, an independent director, as Chairman of the Board with effect from November 18, 2020. The appointment was endorsed by the State Enterprise Policy Office (SEPO) as required by the Cabinet resolution of August 6, 2019, on guidelines for the appointment of state enterprise directors, and 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

### (2.1) Nomination of Directors

In 2020, PTT nominated and appointed seven new directors replacing directors who resigned, retired, or completed their terms at the Annual General Meeting (AGM):

- Professor Dr. Thosaporn Sirisumphand  
Independent Director/ Chairman
- Mr. Krishna Boonyachai  
Independent Director

- Pol. Gen. Rungroj Sangkram  
Independent Director
- Mrs. Premrutai Vinaiphath  
Director
- Dr. Pailin Chuchottaworn  
Independent Director
- M.L. Chayotid Kridakon  
Director
- Mr. Auttapol Rerkpiboon  
Director and Secretary.

PTT reappointed former directors who completed their terms at the 2020 AGM to another term, namely Professor Dr. Kittipong Kittayarak (Independent Director) and Mr. Supattanapong Punmeechaow (Director) whom resigned from the Board with effect from July 23, 2020.

**Nomination procedures are reported under Section 2, Corporate Governance, under the topic of Proposal of additional meeting agenda and nomination of directors and Item 7.3 (2) The Nominating Committee.**

### (2.2) Nomination of the President & CEO/ succession planning

Due to PTT's state enterprise status, nomination and appointment of the President & CEO complies with the Standard for State Enterprise Directors and Employees Act, that is, he/she has to qualify by Section 8 ter and undergo the nomination process under Section 8 quarter. The Board of Directors appointed a five-person nominating committee consisting of those fully qualified and without legal prohibitions to nominate duly knowledgeable, competent, and experienced persons, also qualified and without legal prohibitions, who were not PTT's directors (except directors by position) and aged up to 58 on the application filing date. Once the committee has identified qualified persons, they are to submit their results to the authorized party to appoint within one year after the incumbent leaves office. The employment contract period is up to four years each. If the committee decides to hire the incumbent after completing the employment contract, it can bypass the nomination process but cannot hire that person for more than two consecutive terms.

**Details on management succession plans are reported in Section 2: Corporate Governance, under Item 7.4 Management.**

### (3) Director development

#### • Training Courses/ seminars/ activity engagement in PTT activities

The Board and management values 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 Thai Institute of Directors Association (IOD) and other leading entities and institutes as well as seminars on related topics. PTT supported and sponsored IOD membership for all directors to provide them with communication and more information channels 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 through the year. It regularly organizes in-house briefings by leading consultants' experts on useful business data. Finally, it organizes study trips for directors to other units or entities as seen fit to provide helpful insights for application to PTT's businesses for sustainable growth.

In 2020, training and seminars to foster their work knowledge and PTT's activities include the items below.

Director	Training/ Seminar/ Activity Topic
Professor Dr. Thosaporn Sirisumphand	<ul style="list-style-type: none"> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> <li>Director Orientation</li> </ul>
Professor Dr. Kittipong Kittayarak	<ul style="list-style-type: none"> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Mr. Don Wasantapruek	<ul style="list-style-type: none"> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Gen. Teerawat Boonyawat	<ul style="list-style-type: none"> <li>Director Accreditation Program (DAP 169/2020), IOD</li> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Mrs. Nuntawan Sakuntanaga	<ul style="list-style-type: none"> <li>In attendance at a visit by HRH Princess Maha Chakri Sirindhorn to VISTEC, KVIS, the Wangchan Valley Development Project, and the Agricultural Innovation Learning Center, Chitralada Technology Institute, November 3-5, 2020</li> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Mr. Danucha Pichayanan	<ul style="list-style-type: none"> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Mr. Krishna Boonyachai	<ul style="list-style-type: none"> <li>Director Certification Program (DCP 288/2020), Advanced Audit Committee Program (AACP 38/2020), Role of the Chairman Program (RCP 46/2020), IOD</li> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> <li>Director Orientation</li> </ul>

Director	Training/ Seminar/ Activity Topic
Professor Dr. Surapon Nitikraipot	<ul style="list-style-type: none"> <li>• In attendance at a visit by HRH Princess Maha Chakri Sirindhorn to VISTEC, KVIS, the Wangchan Valley Development Project, and the Agricultural Innovation Learning Center, Chitralada Technology Institute, November 3 - 5, 2020</li> <li>• In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Pol.Gen. Rungroj Sangkram	<ul style="list-style-type: none"> <li>• Director Certification Program (DCP 298/2020), IOD</li> <li>• In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> <li>• Director Orientation</li> </ul>
Dr. Thon Thamrongnawasawat	<ul style="list-style-type: none"> <li>• Certificate training on “Corporate Governance for Directors and Senior Management of Regulators, State Enterprises, and Public Organizations” (Class 22/2020), King Prajadhipok’s Institute</li> <li>• Risk Management Program for Corporate Leaders (RCL 21/2020), IOD</li> <li>• In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Mr. Chumpol Rimsakorn	<ul style="list-style-type: none"> <li>• Risk Management Program for Corporate Leaders (RCL 19/2020), IOD</li> <li>• In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>
Mrs. Premrutai Vinaiphath	<ul style="list-style-type: none"> <li>• Risk Management Program for Corporate Leaders (RCL 20/2020), Boardroom Success through Financing and Investment Class (BFI 9/2020), IOD</li> <li>• In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> <li>• Director Orientation</li> </ul>
Dr. Pailin Chuchottaworn	<ul style="list-style-type: none"> <li>• In attendance at a visit by HRH Princess Maha Chakri Sirindhorn to VISTEC, KVIS, the Wangchan Valley Development Project, and the Agricultural Innovation Learning Center, Chitralada Technology Institute, November 3 - 5, 2020</li> <li>• In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> <li>• Director Orientation</li> </ul>

Director	Training/ Seminar/ Activity Topic
M.L. Chayotid Kridakon	<ul style="list-style-type: none"> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> <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, KVIS, the Wangchan Valley Development Project, and the Agricultural Innovation Learning Center, Chitralada Technology Institute, November 3 - 5, 2020</li> <li>In-house briefing on the criteria and guidelines under the state enterprise assessment model (SE-AM) by TRIS Corporation Co., Ltd.</li> </ul>

The PTT Board also engaged in other corporate activities, including a business visit and exchange of views with Huawei management, a study visit to T-Space@8 of PTT's International Trading Business Unit, the Establishment Day of PTT, business visit to PTT Group and engagement in environmental conservation activities in Phuket and Chiang Mai, visit to Bang Bo in Samut Prakan to survey gas leak areas with the Enterprise Risk Management Committee, site visit by the Corporate Governance Committee to the Art Gallery at Ban Chao Phraya (where PTT has promoted art and culture along with support of artists' exhibition areas), and PTT Group's operations in Rayong.

#### (4) Board Self-assessment

In compliance with the CG code, PTT required the Board to conduct self-assessment to scope its regular review of its performance. With the resolution of Board Meeting No. 10/2020 of October 15, 2020, the Board approved all five self-assessment forms with some modification made to the assessment topics on satisfaction of subcommittees and its chairman performance to the overall performance of each subcommittee for clearer review. The five assessment forms are Assessment of the Board (entire Board)/ Assessment of Individual Directors (Self-assessment)/ Individual Assessment of Other Directors (Cross-assessment)/ and Assessment of the Committees (Entire Committees)/ and Assessment of the Chairman's roles, duties and performance along with work satisfaction of the committees and chairman of each committee. The five assessment forms stipulated the percentages corresponding to the levels of performance achieved in each topic: over 85% = excellent, over 75% = very good, over 65% = good, over 50% = fair, and below 50% = need improvement.

The self-assessment findings were as follows:

- 1. Assessment of the Board (entire Board):** The assessment form comprises five assessment topics: Board Policy, Board Composition, Board Practices, Board Meeting, and Board Training and Development.

The results indicated excellent/ most suitable overall performance, with an average score of 97.87%.

## 2. Assessment of Individual Directors (Self-assessment):

The assessment form comprises six topics: accountability for decision-making and actions; responsibility for performing the duties with full ability and efficiency; equitable and fair treatment of all stakeholders; transparency of job performance and information disclosure; vision to create a long-term value; and business ethics.

The overall results of the six categories indicated excellent conformance by most directors, with an average score at 98.96%.

## 3. Individual Assessment of Other Directors (Cross-assessment):

The assessment form consisted of six identical categories as listed above for direct comparison.

The cross-assessment results in these six categories indicated excellent conformance by most directors, with an average score of 99.59%.

## 4. Self-assessment of the Committees (entire committees)

consisted of four topics: Board policy, Board composition, Board practices, and Board meetings.

The results of the four committees indicated efficient/ mostly suitable overall performance as follows:

- 4.1 The Nominating Committee indicated excellent performance, with an average score of 98.61%.
- 4.2 The Remuneration Committee indicated excellent performance, with an average score of 99.31%
- 4.3 The Corporate Governance Committee indicated excellent performance, with an average score of 99.31%
- 4.4 The Enterprise Risk Management Committee indicated excellent performance, with an average score of 100.00%.

## 5. Chairman's Roles & Duties and Performance Assessment, Work 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, with an average score of 99.25%.

## 6. Audit Committee's Performance Assessment

Under PTT's regulations on performance assessment of the Audit Committee and Internal Audit of 2020, and SEPO's and SET's good governance, the Audit Committee must assess its performance by undertaking self-assessment at least annually. The individual self-assessment or the entire committee's assessment is presented annually to the Board, specifying problems leading to unfulfilled objectives. This year the Audit Committee's Meeting No. 8/2020 of August 10, 2020, approved the assessment forms for the Audit Committee, namely Assessment of Individual Directors (self-assessment), Individual Assessment of Other Directors (cross-assessment), and Assessment of the Committee (entire Committee). The Audit Committee Meeting No. 11/2020 of November 10, 2020, approved the assessment of its performance for 2020 and submitted the results together with performance improvement plan to Board Meeting No. 12/2020 of December 17, 2020, with the following details:

- **Assessment of the entire committee:** The assessment form consisted of eight assessment topics: the structure, composition and office term/ meetings/ roles and responsibilities/ relationship with the internal auditor/ relationship with the external auditor/ relationship with management/ reporting/ quality consistency. The assessment criteria were 4 = regularly implemented, 3 = mostly implemented, 2 = sometimes implemented, 1 = never implemented.

The results of the assessment of the entire Audit Committee was at the "mostly implemented" level, with an average score of 3.95.

- **Assessment of Individual Directors (Self-Assessment):** The Assessment form consisted of six topics: business knowledge/ specific expertise/ independence and fairness/ understanding of duties and responsibilities of members/ commitment to work and meetings/ and meeting attendance. The assessment criteria were 4=excellent, 3=good, 2=fair, 1=need improvement. The results of the Audit Committee's self-assessment was at "good" level, with an average score of 3.90.
- **Cross-assessment:** The Cross-assessment form consisted of six topics identical to the list above for direct comparison.  
The results of the Audit Committee's cross-assessment indicated "excellent" overall performance, with an average score of 4.00

PTT also analyzed the assessment topics to develop/ improve performance and formulated an annual plan to enhance their efficiency of directorship 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 for determining their compensation.

## Directors Orientation

For new directors, PTT arranges an orientation program dealing with its business policies, capital structure, shareholding structure, business performance, information systems, as well as applicable laws and regulations. Moreover, each director receives a Director's Handbook, which includes the following topics:

### Director's Handbook:

- |  |   |
|--|---|
| 1. Public Company Act  | 6. Company Objectives                         |
| 2. Securities and Exchange Act   | 7. Articles of Association                    |
| 3. Standard Qualifications of State Enterprise Directors and Employees Act | 8. Company Rules (17 Rules)                   |
| 4. Company Registration Certificate  | 9. PTT Corporate Governance Handbook          |
| 5. Company Certificate   | 10. Manual for Directors of Listed Companies. |

### Information kit for directors:

- |   |   |
|---|---|
| 1. Overview business presentation of PTT                            | 9. Financial Report   |
| 2. List of directors, specific committees, and management structure | 10. Annual Corporate Sustainability Report                    |
| 3. Director Fiduciary Duty Check List                               | 11. Corporate Governance handbook                             |
| 4. CG principles for listed companies (CG Code)                     | 12. Debenture Magazine ("Happiness")                          |
| 5. Connected transactions of listed companies                       | 13. Article: "Truth about Privatization"                      |
| 6. Guidance on providing information for listed company management  | 14. PTT Way of Conduct  |
| 7. PTT Plc Company Profile (short version)                          | 15. PTT Technology and Innovation Management Operating System |
| 8. Annual Report  | 16. PLLI Course Catalog                                       |

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. At the same time, the above-mentioned documents and handbook for new directors were handed over. In 2020, PTT arranged four occasions for new directors as well as visits to International Trading Business Unit at the Smart Intelligence Center (Space@8).

## 8.1.2 Meeting attendance and individual directors' compensation

### (1) Board meetings

Each month of the year, PTT schedules its board meetings in advance. In 2020, the monthly meetings took place on the third Thursday of each month, with occasional special meetings on special agenda as seen fit. The Office of the President sends to each director meeting notices, agenda 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 an 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 regular follow-up agenda on the updates of implementation of Board observations and comments to ensure implementation of PTT's strategies.

The Board's policy is that, for a given agenda item, if any director has potential conflicting interests with PTT, the secretariat will not deliver such agenda item to that director, who will not attend the meeting and abstain voting on such 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.

Due to the aggravating, widespread COVID-19 in Thailand in 2020, the Chairman of the Board allowed electronic meetings in observance of the COVID-19 safety and control measures. In 2020, PTT held the meeting totally of 16 meetings, 12 regular and 4 special ones. The special meeting 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 2021 - 2025. In addition, one non-executive meeting was held in June on the topic of PTT's businesses on various issues and recommendations to management for further business improvement, which is in line with the principles and guidelines for corporate governance of state enterprises of 2019 as well as the guidelines for the enterprise given by the State Enterprise Policy Office. One independent directors' meeting was held in October on the topic of the role of Independent Director to shareholders. At every meeting, the Chairman allowed all directors to express their open and free views. The Board meetings are detailed below.

## Attendance of the Board and Five Specific Committee Meetings for 2020

Name	1/2020	2/2020	3/2020	Special 1/2020	4/2020	Special 2/2020	5/2020	6/2020	7/2020	Special 3/2020	8/2020	9/2020	10/2020	11/2020	12/2020	Special 4/2020
1. Professor Dr. Thosaporn Sirisumphand	Appointed as an Independent Director, effective from November 6, 2020, and as Chairman of the Board, effective from November 18, 2020													/	/	/
- Mr. Krairit Euchukanonchai	/	/	/	/	/	/	/	/	/	/	/	/	/	Retired from the directorship of PTT due to his completion of 65 years of age, effective from November 6, 2020		
2. Professor Dr. Kittipong Kittayarak	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
3. Mr. Don Wasantapruek	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
4. Gen. Teerawat Boonyawat	X	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
5. Mrs. Nuntawan Sakuntanaga	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X
6. Dr. Pailin Chuchottaworn	Appointed, effective from September 11, 2020											/	/	/	/	
- Mr. Supattanapong Punmeechaow	/	/	/	/	/	/	/	/	/	/	Resignation: effective from July 23, 2020					
7. Mr. Danucha Pichayanan	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X
8. Mr. Krishna Boonyachai	Appointed, effective from July 3, 2020									/	/	/	/	/	/	/
- Mr. Nuttachat Charuchinda	/	Retired from the directorship of PTT due to his completion of 65 years of age, effective from January 17, 2020														
9. Professor Dr. Surapon Nitikraipot	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
10. Pol. Gen. Rungroj Sangkram	Appointed, effective from July 3, 2020									/	/	/	/	/	/	/
- Mr. Vichai Assarasakorn	/	/	/	/	/	/	/	/	Retired by rotation at the 2020 AGM							
11. Dr. Thon Thamrongnawasawat	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
12. Mr. Chumpol Rimsakorn	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
13. Mrs. Premrutai Vinaiphath	Appointed, effective from July 3, 2020									/	/	/	/	/	/	/
- Mr. Sarawut Kaewtathip	/	/	/	/	/	/	/	/	Retired by rotation at the 2020 AGM							
14. M.L. Chayotid Kridakon	Appointed, effective from December 16, 2020													/	/	
- Professor Dr. Supot Teachavorasinskun	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Resignation: effective from December 1, 2020	
15. Mr. Auttapol Rerkpiboon	Appointed, effective from May 13, 2020							/	/	/	/	/	/	/	/	/
- Mr. Chansin Treenuchagron	/	/	/	/	/	/	Completed his term under the employment contract, effective from May 13, 2020									
<b>Total Attendances</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>13</b>
<b>Total Directors</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>

Name	Board and Specific Committee Meetings in 2020						Appointment during the year
	Board of Directors (Total 16)	Audit Committee (Total 14)	Corporate Governance Committee (Total 9)	Nominating Committee (Total 9)	Remuneration Committee (Total 5)	Enterprise Risk Management Committee (Total 10)	
1. Professor Dr. Thosaporn Sirisumphand	3/3						November 6, 2020 (replacing Mr.Krairit Euchukanonchai)
2. Professor Dr. Kittipong Kittayarak	16/16	7/7	3/3				-
3. Mr. Don Wasantapruek	16/16			9/9			-
4. Gen. Teerawat Boonyawat	15/16				5/5		-
5. Mrs. Nuntawan Sakuntanaga	15/16	7/7	6/6				-
6. Dr. Pailin Chuchottaworn	5/5					3/3	September 11, 2020 (replacing Mr. Supattanapong Punmeechaow)
7. Mr. Danucha Pichayanan	15/16	12/14					-
8. Mr. Krishna Boonyachai	8/8	7/7					July 3, 2020 (replacing Mr. Nuttachat Charuchinda)
9. Professor Dr. Surapon Nitikraipot	16/16		9/9	9/9			-
10. Pol. Gen. Rungroj Sangkram	8/8				2/2		July 3, 2020 (replacing Mr.Vichai Assarasakorn)
11. Dr. Thon Thamrongnawasawat	16/16		9/9			10/10	-
12. Mr. Chumpol Rimsakorn	16/16				5/5	10/10	-
13. Mrs. Premrutai Vinaiphath	8/8					5/5	July 3, 2020 (replacing Mr. Sarawut Kaewtathip)
14. M.L. Chayotid Kridakon	2/2						December 16, 2020 (replacing Professor Dr. Supot Teachavorasinskun)
15. Mr. Auttapol Rerkpiboon	10/10						May 13, 2020 (replacing Mr. Chansin Treenuchagron)

## Attendance Record of Directors Who Retired/ Resigned in 2020 (Total: 7 directors)

Name	Board and Specific Committee Meetings 2020						Appointment during the year
	Board of Directors (Total 16)	Audit Committee (Total 14)	Corporate Governance Committee (Total 9)	Nominating Committee (Total 9)	Remuneration Committee (Total 5)	Enterprise Risk Management Committee (Total 10)	
1. Mr. Nuttachat Charuchinda	1/1						Retired from the directorship of PTT due to his completion of 65 years of age, effective from January 17, 2020
2. Mr. Chansin Treenuchagron	6/6						Completed his term, effective from May 13, 2020
3. Mr. Vichai Assarasakorn	8/8	7/7					Retired by rotation at the 2020 AGM
4. Mr. Sarawut Kaewtathip	8/8						Retired by rotation at the 2020 AGM
5. Mr. Supattanapong Punmeechaow	10/10					5/5	Resignation: effective from July 23, 2020
6. Mr. Krairit Euchukanonchai	13/13						Retired from the directorship of PTT due to his completion of 65 years of age, effective from November 6, 2020
7. Professor Dr. Supot Teachavorasinskun	14/14			8/8	3/3		Resignation: effective from December 1, 2020

## Remarks:

In 2020, total of 16 Board meetings were held this year (12 regular and 4 special meetings)

\* Reasons for meeting absence were prior scheduled official engagement or other urgent meetings. Apologies letters were duly forwarded to the Chairman ahead of the meetings.

## (2) Remuneration of Directors

This year, with the validation of the Remuneration Committee, PTT fairly and sensibly specifies the compensation of directors, taking into account practices of other listed peer companies, leading domestic as well as international companies, and state enterprise companies, the principles of good corporate governance, PTT's financial performance, responsibilities of the Board, and economic growth and inflation. Directors' compensation 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:

### Directors' Remuneration

The Directors' Remuneration was approved at the 2020 Annual General Meeting (AGM) held on Friday, July 3, 2020 as follow:

#### 1. Monthly Fees and Meeting Attendance fee for the year 2020, the rates of which 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 of the director.
- Meeting attendance fee of THB 60,000 per meeting for those in attendance only and the Chairman shall receive 25% higher than members. The payment is limited to one meeting per month. Where necessary, the attendance fee may be paid for more than one meeting a month but must not exceed 15 meetings per year.

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

###### 1.2.1 Audit Committee

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

###### 1.2.2 The remuneration for other committees, namely **the Nominating Committee, the Remuneration Committee, the Corporate Governance 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 at **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% higher than 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 2020

Bonus payouts for directors, at 0.05% of the net profit of 2020, corresponded to 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.

### The Remuneration for Directors in 2020

Unit: THB

No.	Name	Days of Service Jan. - Dec. 2020	Bonus 2020	Meeting Allowance (Inclusive of Monthly Allowance)	Meeting Allowance (Specific Committee)	Total Allowance	Total Remuneration
1	Professor Dr. Thosaporn Sirisumphand	56	231,797.36	248,000.00	-	248,000.00	479,797.36
2	Professor Dr. Kittipong Kittayarak	366	1,294,335.62	1,260,000.00	538,790.32	1,798,790.32	3,093,125.94
3	Mr. Don Wasantapruerk	366	1,294,335.62	1,260,000.00	337,500.00	1,597,500.00	2,891,835.62
4	Gen. Teerawat Boonyawat	366	1,294,335.62	1,200,000.00	187,500.00	1,387,500.00	2,681,835.62
5	Mrs. Nuntawan Sakuntanaga <sup>a/</sup>	366	1,294,335.62	1,260,000.00	623,709.68	1,883,709.68	3,178,045.30
6	Dr. Pailin Chuchottaworn	112	383,147.66	350,000.00	112,500.00	462,500.00	845,647.66
7	Mr. Danucha Pichayanan <sup>a/</sup>	366	1,294,335.62	1,260,000.00	705,000.00	1,965,000.00	3,259,335.62
8	Mr. Krishna Boonyachai	181.5	630,145.36	597,580.65	358,790.32	956,370.97	1,586,516.33
9	Professor Dr. Surapon Nitikraipot <sup>a/</sup>	366	1,294,335.62	1,260,000.00	570,000.00	1,830,000.00	3,124,335.62
10	Pol. Gen. Rungroj Sangkram	181.5	630,145.36	597,580.65	60,000.00	657,580.65	1,287,726.01
11	Dr. Thon Thamrongnawasawat	366	1,294,335.62	1,260,000.00	540,000.00	1,800,000.00	3,094,335.62
12	Mr. Chumpol Rimsakorn	366	1,294,335.62	1,260,000.00	420,000.00	1,680,000.00	2,974,335.62
13	Ms. Premrutai Vinaiphath	181.5	630,145.36	597,580.65	150,000.00	747,580.65	1,377,726.01
14	M.L. Chayotid Kridakon	16	54,129.98	75,483.87	-	75,483.87	129,613.85
15	Mr. Auttapol Rerkpiboon <sup>b/</sup>	233	816,602.95	768,387.10	-	768,387.10	1,584,990.05
<b>Total</b>			<b>13,730,798.99</b>	<b>13,254,612.92</b>	<b>4,603,790.32</b>	<b>17,858,403.24</b>	<b>31,589,202.23</b>

a/ Including the meeting attendance fee of the President & CEO on the Remuneration Committee.

b/ Mr. Auttapol Rerkpiboon has been in full compliance with the terms of his employment contract as President & CEO for the remuneration that he received as a director from May 13 to December 31, 2020.

Remarks:

No. 1	Professor Dr. Thosaporn Sirisumphand	was appointed as an independent director and as Chairman of the Board of Directors	on November 6, 2020, on November 18, 2020
No. 6	Dr. Pailin Chuchottaworn	was appointed as an independent director	on September 11, 2020
No. 8	Mr. Krishna Boonyachai	was appointed as an independent director	on July 3, 2020
No. 10	Pol. Gen. Rungroj Sangkram	was appointed as an independent director	on July 3, 2020
No. 13	Mrs. Premrutai Vinaiphath	was appointed as a director	on July 3, 2020
No. 14	M.L. Chayotid Kridakon	was appointed as a director	on December 16, 2020
No. 15	Mr. Auttapol Rerkpiboon	was appointed as a director and secretary to the Board	on May 13, 2020.

## The Remuneration for Directors Who Completed the Terms and/ or Resigned in 2020

Unit: THB

No.	Name	Days of Service Jan. - Dec. 2020	Bonus 2020	Meeting Allowance (Inclusive of Monthly Allowance)	Meeting Allowance (Specific Committee)	Total Allowance	Total Remuneration
1	Mr. Nuttachat Charuchinda	16	54,129.98	75,483.87	-	75,483.87	129,613.85
2	Mr. Chansin Treenuchagron*	133	477,732.67	491,612.90	-	491,612.90	969,345.57
3	Mr. Vichai Assarasakorn	184.5	664,190.26	662,419.35	428,709.68	1,091,129.03	1,755,319.29
4	Mr. Sarawut Kaewtathip	184.5	664,190.26	662,419.35	-	662,419.35	1,326,609.61
5	Mr. Supattanapong Punmeechaow	204	730,161.17	801,290.32	150,000.00	951,290.32	1,681,451.49
6	Mr. Krairit Euchukanonchai	310	1,375,803.25	1,585,000.00	-	1,585,000.00	2,960,803.25
7	Professor Dr. Supot Teachavorasinskun	335	1,185,897.60	1,170,000.00	330,000.00	1,500,000.00	2,685,897.60
<b>Total</b>			<b>5,152,105.19</b>	<b>5,448,225.79</b>	<b>908,709.68</b>	<b>6,356,935.47</b>	<b>11,509,040.66</b>

\* Mr. Chansin Treenuchagorn has been in full compliance with the terms of his employment contract as President & CEO for the remuneration received as a director.

## Remarks:

- No. 1 Mr. Nuttachat Charuchinda was appointed as a Director on January 16, 2019, and retired from the Directorship of PTT due to his completion of 65 years of age with effect from January 17, 2020.
- No. 2 Mr. Chansin Treenuchagron was appointed President & CEO/ Director and Secretary to the Board on August 31, 2018, and completed his term with effect from May 13, 2020.
- No. 3 Mr. Vichai Assarasakorn was appointed as an Independent Director on September 4, 2014, and completed his term on July 3, 2020.
- No. 4 Mr. Sarawut Kaewtathip was appointed as a Director on December 16, 2019, and completed his term on July 3, 2020.
- No. 5 Mr. Supattanapong Punmeechaow was appointed as a Director on October 1, 2019 and resigned with effect from July 23, 2020.
- No. 6 Mr. Krairit Euchukanonchai was appointed as an Independent Director on July 11, 2018, and as a Chairman of the Board on September 7, 2018, and retired from the Directorship of PTT due to his completion of 65 years of age with effect from November 6, 2020.
- No. 7 Professor Dr. Supot Teachavorasinskun was appointed as a Director on January 18, 2018, and resigned with effect from December 1, 2020.

## Directors' Remuneration Profile, 2017 - 2020

Unit: THB

Remuneration	2017		2018		2019		2020	
	Person	THB	Person	THB	Person	THB	Person	THB
Meeting Attendance	15	17,319,925.12	15	17,241,903.21	15	21,787,467.74	15	24,215,338.71
Bonus	15	45,215,753.42	15	45,125,342.45	15	46,475,302.07	15	18,882,904.18
<b>Total</b>		<b>62,535,678.54</b>		<b>62,367,245.66</b>		<b>68,262,769.81</b>		<b>43,098,242.89</b>

## Remarks:

The 2017, 2018, 2019 and 2020 directors' remuneration shown in the table includes the remuneration of President & CEO who has already complied with the terms under the employment contract as President & CEO.

## Remuneration of PTT's Directors/ Independent Directors who receiving from being as a Director/ an Independent Directors of Subsidiaries\* in 2020

(The table below presents remuneration paid to directors/ independent directors only for the period they served with PTT.)

Unit: THB

Name	Director Remuneration		Committee Meeting Allowance	Total Remuneration	Remarks
	Bonus***	Meeting Allowance and Monthly Allowance			
1. Professor Dr. Thosaporn Sirisumphand	2,137,102.44	102,083.25	-	2,239,185.69	The remuneration as an Independent Director, Chairman of the Board, Thai Oil Public Company Limited during November 6 - 30, 2020
2. Dr. Pailin Chuchottaworn	622,396.58	410,000.00	-	1,032,396.58	The remuneration as an Independent Director, Chairman of the Board, Global Power Synergy Public Company Limited during September 11, 2020 - December 31, 2020
3. Mr. Don Wasantapruek	2,390,016.48	1,200,000.00	506,250.00	4,096,266.48	The remuneration as an Independent Director, PTT Global Chemical Public Company Limited during January 1, 2020 - December 31, 2020

Unit: THB

Name	Director Remuneration		Committee Meeting Allowance	Total Remuneration	Remarks
	Bonus***	Meeting Allowance and Monthly Allowance			
4. Mrs. Premrutai Vinaiphath	2,082,496.68	20,967.74	-	2,103,464.42	The remuneration as a Director, PTT Global Chemical Public Company Limited during July 3 - 15, 2020
5. Mr. Auttapol Rerkpiboon**	1,242,531.00	450,000.00	-	1,692,531.00	The remuneration as a Director, PTT Exploration and Production Public Company Limited during August 1, 2020 - December 31, 2020
	1,709,681.95	330,645.00	101,250.00	2,141,576.95	The remuneration as a Director, Thai Oil Public Company Limited during May 13, 2020 - July 31, 2020
	-	398,387.10	-	398,387.10	The remuneration as a Director, Chairman of the Board, PTT Oil and Retail Business Public Company Limited during January 1, 2020 - December 31, 2020
6. Mr. Supattanapong Punmeechaow	2,390,016.48	695,483.87	135,000.00	3,220,500.35	The remuneration as a Director, PTT Global Chemical Public Company Limited during January 1, 2020 - July 22, 2020
7. Mr. Nuttachat Charuchinda	-	23,225.81	-	23,225.81	The remuneration as a Director, IRPC Public Company Limited during January 1 - 16, 2020

Unit: THB

Name	Director Remuneration		Committee Meeting Allowance	Total Remuneration	Remarks
	Bonus***	Meeting Allowance and Monthly Allowance			
8. Mr. Chansin Treenuchagron**	1,080,108.62	575,483.87	-	1,655,592.49	The remuneration as a Director, PTT Exploration and Production Public Company Limited during January 1, 2020 - May 12, 2020
	-	683,225.81	-	683,225.81	The remuneration as a Director, Chairman of the Board, IRPC Public Company Limited during January 1, 2020 - May 12, 2020

*Remarks:*

\* According to the new International Financial Reporting Standards.

\*\* Mr. Auttapol Rerkpiboon and Mr. Chansin Treenuchagron have complied with the terms under their employment contracts as President &amp; CEO.

\*\*\* Directors have received the 2020 annual bonuses (for the 2019 performance) for serving with PTT Global Chemical Public Company Limited, Thai Oil Public Company Limited and Global Power Synergy Public Company Limited, approved by the 2020 AGM of each company.

### 8.1.3 Governance of Subsidiaries and Associates

Supervising, monitoring, and assessing PTT's implementation of corporate governance and anti-corruption, the Corporate Governance Committee assigns a policy and guidelines to the Governance, Risk and Compliance Management Committee (GRCMC), which is charged with steering corporate governance compliance, operational risk management, internal control, and compliance. The Senior Executive Vice President, Corporate Governance and Regulatory Affairs, the chairperson of GRCMC reporting directly to the Corporate Governance Committee, is responsible for steering and implementing plans for corporate governance and anti-corruption together with definition of goals and KPIs approved by the Corporate Governance Committee and the Board. Part of these tasks is governance of subsidiaries and associates.

A summary of PTT's promotion of compliance with the policy and guidelines for governance of subsidiaries and associates appears below:

1. Development of the PTT Group Way of Conduct web portal, which is a database and communication channel among policy owners and administrating units of affiliates and PTT Group companies in pursuit of standardized implementation
2. Site visits aimed at efficient mobilization of PTT Group management approach, communication aimed at setting goals and GRC strategies, and counseling on PTT Group management approach for affiliates
3. Strengthening of the mastery of GRC and emphasis on various guidelines through the following development programs:
  - 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.

(Details on PTT's policy on governance of subsidiaries appear under Section 2 (**governance of subsidiaries and associated companies** and **policy for directorships in other companies of directors and management**).

## 8.1.4 Corporate Governance Policy and Guideline Compliance Control

### (1) Internal information guideline

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 such system at least two days in advance. In 2020, there were 15 reported transactions outside silent periods involving those whose jobs involved internal information; no major incidents occurred that impacted PTT.

### (2) Conflicts of interest

PTT requires disclosure of information to ward off conflicts of interest with PTT to in turn 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 and each time this is discovered. This year the Board, management, and all employees all filed their reports through the PTT intranet; no material cases were found. The disclosed items of conflicts of interest with PTT confirm acknowledgment that 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.

#### Preparation of reports on vested interests of directors, management, and related parties

Details of the topic are reported under section 2, Corporate Governance.

### (3) Corporate governance, code of conduct, and anti-corruption activities

The Corporate Governance Committee provides oversight monitors and assesses PTT's execution of corporate governance and anti-corruption tasks and the Corporate Governance Committee assigns a policy and guidelines to the Governance, Risk and Compliance Management Committee (GRCMC), which is charged with steering corporate governance compliance, operational risk management, internal control, and compliance, as well as housing PTT's anti-corruption operation center in state enterprises. The Senior Executive Vice President, Corporate Governance and Regulatory Affairs, the chairperson of GRCMC and reporting directly to the Corporate Governance Committee, is responsible for steering and implementing plans for corporate governance and anti-corruption together with definition of goals and KPIs approved by the Corporate Governance Committee and the Board. Besides its constant implementation and development as mentioned under Section 6 (Corporate Governance on the topic of Anti-Corruption), this year PTT executed the following promotional activities on corporate governance, code of conduct, and anti-corruption:

- Organized training on corporate governance and anti-corruption for new employees and required CG e-learning testing together with delivering the CG handbook to all of them for study and acknowledgment as their own guidelines. This year PTT required three e-learning curricula (CG, Compliance Policy, and the Public Procurement and Supplies Administration Act) as a corporate KPI on non-compliance. About 99.33% of the workforce participated in the training.
- Communicated in functional meetings, educational activities, and seminars including Town Hall, training on the investigating and fact-finding process for senior management, and training on the investigating and fact-finding process for vice presidents. The speakers from the NACC office informed executives so that they may truly appreciate the procedures for the investigation and fact-finding process.
- Developed comprehensive e-learning under the PTT intranet to communicate corporate governance, code of conduct, and anti-corruption measures for all employees by themselves. The training was on CG e-learning through various simulated incidents for proper practical real-life application, with a test at the end of the curriculum. In 2020 an e-learning curriculum was added on the Prevention and Suppression of Fraud Act of 2019.
- Communicated fraud risk management with representatives of all functions to establish proper understanding by international standards of the principles for fraud risk management and applicable internal control measures so that they may apply these guidelines in their everyday life. This year saw a total of 14 functions involved.
- Assessed corporate governance and anti-fraud through internal communication channels for data application to develop related tasks. It was found that 98.53% commanded good understanding, 86.40% were satisfied with good to very good GRC communication, and 89.41% agreed with related implementation by PTT.
- Foster an ambience of awareness through PTT's various media, including exhibitions, GRC intranet website, opportunities for interested parties to inquire through GRChelpdesk@pttplc.com, reminders through CG Tips (internal e-mail), CG Channel page in PTT Workplace for everyone's information about CG/ GRC, and education as well as engagement in activities of interest. PTT also requires the subject to be part of agenda-based meetings for various units, with the QSHE / SPIRIT / CSR / GRC Talk topic serving as a GRC communication channel and promotional tool with CG/ GRC awareness, including the PTTMC meeting.
- Organized a GRC Camp in the seventh consecutive year to develop PTT employee representatives into GRC agents for respective functions to communicate understanding of GRC to fellow employees and duly apply such knowledge to their tasks. This year's activities were in the form of a virtual camp (on site/ on line), consisting of educational dialogue and sharing of GRC experience by senior management team members of GRC and business functions so that employees may adapt the knowledge to their own jobs and advocate the Business Integrity culture.

- Valued corporate governance among PTT Group in line with the PTT Group Way of Conduct by appointing a 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 the PTT Group CG Day to campaign for, 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 SET, SEC, IOD, the Foundation of Anti-Corruption Networks, and the Office of the Ombudsman along with business partners, the boards, management, and employees of PTT Group. In 2020, IRPC Plc. hosted the event under the PTT Group CG Day 2020: Step to the Future theme in a virtual, online format to illustrate the commitment to driving the organization of PTT Group with the CG code while remaining poised to adaptation under changing circumstances.
- Strived to form transparent networks for a robust Thai society by strongly advocating its business partners declaration of the intention to join CAC to lower risks of corrupt practices across the supply chain. In 2020, PTT educated and urged business partners to join CAC at the annual suppliers' seminar and at the annual supplier seminars for NGV and gas distribution pipeline functions.
- Promoted and shared knowledge with external agencies to upgrade their corporate governance standard. Management team members served as speakers that shared their experience and concept of corporate governance on various occasions. Welcomed public and private entities, including educational institutions, on site visits, where experience was shared and observation was made on PTT's corporate governance practices.



## (4) Whistleblowing

All stakeholders can use this tool to contact, learn, and provide tips either inside the corporation through the intranet webboard or outside through PTT website, phone, written notification, e-mail to Investor Relations, Office of the President, Corporate Communications and Reputation, Governance, or the Ordering and Customer Relations Center as follows:

Phone: 1365 CONTACT CENTER, 0-2537-2000  
 Website: [www.pttplc.com](http://www.pttplc.com)  
 e-mail: Ordering & Customer Relations Center:  
 1365@pttor.com  
 Corporate Communication and Branding  
 Department:  
 corporate@pttplc.com  
 Office of the President:  
 corporatesecretary@pttplc.com  
 Investor Relations Department:  
 ptt-ir@pttplc.com  
 Call Center GRC:  
 GRChelpdesk@pttplc.com  
 LINE: @contact1365

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 (SLAs). 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 through 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 improvement to meet all stakeholders' needs. This year, excluding complaints about PTT Oil and Retail Business Public Company Limited (OR), 21,220 questions, comments, and recommendations were filed, most dealing with discount cards, energy credit cards, and service station data.

PTT enables the public to file grievances and complaints when coming across untoward or unethical behavior of directors, executives, or employees. These are made known to the Audit Committee, Office of Corporate Audit, Corporate Governance, and Human Resources. PTT listens to all complaints in an equitable, transparent, attentive, and fair manner, with suitable action periods and with due safeguarding of confidential information and protection of whistleblowers.

To this end, the Board appointed a structure for corporate governance and regulatory affairs by appointing Corporate Governance Department to centralize notifications of incidents, tips, and follow-ups of notifications, protection, and administration of fairness to complainants or whistleblowers concerning corporate corrupt practices, and reports of investigation and punishment to management and applicable committees, apart from notification to related parties. This year a total of seven complaints were made through whistleblowing channels for fraud and non-compliance. After due consideration under the process, four were found to be without grounds for fraud and three were under fact-finding, which could concern non-compliance with PTT's regulations or directives.

## (5) The Reporting of Securities holding Portfolio

In 2020, the Office of the President issued a reminder on four occasions to each of the directors and management team on forbidding trading or transfer of PTT securities. The first was between January 1 and February 29, 2020 (fiscal year 2019); the second, between April 1 and May 15, 2020 (first quarter budget of 2020); the third, between July 1 and August 15, 2020 (second quarter budget of 2020), and the fourth, between October 1 and November 15, 2020 (third quarter budget of 2020). In addition, PTT defined a policy of avoiding securities trading of PTT Group outside these periods. Directors and management complied with this strictly. If necessary to trade PTT Group securities, they must inform the Company Secretary at least two days ahead.

## Securities Portfolios of Directors, 2019 – 2020

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the year	
1.	Professor Dr. Thosaporn Sirisumphand	N/A	-	-	Appointed as a director on November 6, 2020 Appointed as Chairman of the Board of Directors on November 18, 2020
	Spouse and children under legal age	N/A	18,000	-	-
2.	Professor Dr. Kittipong Kittayarak	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
3.	Mr. Don Wasantapruerk	-	-	-	(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.	Mrs. Nuntawan Sakuntanaga	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
6.	Dr. Pailin Chuchottaworn	N/A	100,000	-	Appointed on September 11, 2020
	Spouse and children under legal age	N/A	-	-	-
7.	Mr. Danucha Pichayanan	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
8.	Mr. Krishna Boonyachai	N/A	-	-	Appointed on July 3, 2020 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
9.	Professor Dr. Surapon Nitikraipot	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-

No.	Name	Number of Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the year	
10.	Pol. Gen. Rungroj Sangkram	N/A	-	-	Appointed on July 3, 2020 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
11.	Dr. Thon Thamrongnawasawat	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
12.	Mr. Chumpol Rimsakorn	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
13.	Mrs. Premrutai Vinaiphath	N/A	-	-	Appointed on July 3, 2020 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
14.	M.L. Chayotid Kridakon	N/A	-	-	Appointed on December 16, 2020 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
15.	Mr. Auttapol Rerkpiboon	225,000	225,000	-	Appointed as Director and Secretary of the Board with effect from May 13, 2020
	Spouse	43,000	43,000	-	-
	Children under legal age	-	-	-	-

*Remarks:*

*No PTT share was held by directors' spouses and children under legal age except those of No. 1 and 15.*

## Securities Portfolios of Directors Who Completed Their Terms or Resigned in 2020

No.	Name	Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the Year	
1.	Mr. Nuttachat Charuchinda	630	N/A	N/A	Retired from the directorship of PTT due to his completion of 65 years of age, with effect from January 17, 2020
	Spouse and children under legal age	-	N/A	N/A	-
2.	Mr. Vichai Assarasakorn	-	N/A	N/A	Completed his term on July 3, 2020 (No PTT share held during his directorship in 2020)
	Spouse and children under legal age	-	N/A	N/A	-
3.	Mr. Sarawut Kaewtathip	-	N/A	N/A	Completed his term on July 3, 2020 (No PTT share held during his directorship in 2020)
	Spouse and children under legal age	-	N/A	N/A	-
4.	Mr. Supattanapong Punmeechaow	-	N/A	N/A	Resignation: effective from July 23, 2020 (No PTT share held during his directorship in 2020)
	Spouse and children under legal age	-	N/A	N/A	-
5.	Mr. Krairit Euchukanonchai	-	N/A	N/A	Retired from the directorship of PTT due to his completion of 65 years of age, with effect from November 6, 2020. (No PTT share held during his directorship in 2020)
	Spouse and children under legal age	-	N/A	N/A	-
6.	Mr. Chansin Treenuchagron	-	N/A	N/A	Completed his term effective from May 13, 2020
	Spouse and children under legal age	-	N/A	N/A	-
7.	Professor Dr. Supot Teachavorasinskun	-	N/A	N/A	Resignation: effective from December 1, 2020 (No PTT share held during his directorship in 2020)
	Spouse and children under legal age	-	N/A	N/A	-

## Securities Portfolios of Management, 2019 – 2020

No.	Name	Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the Year	
1.	Mr. Auttapol Rerkpiboon	225,000	225,000	-	Appointed as President & CEO with effect from May 13, 2020. (No trading transaction of PTT shares in 2020)
	Spouse	43,000	43,000	-	-
	Children under legal age	-	-	-	-
2.	Mr. Atikom Terbsiri	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
3.	Mr. Kris Imsang	100,000	100,000	-	(No trading transaction of PTT shares in 2020)
	Spouse and children under legal age	-	-	-	-
4.	Mr. Wittawat Svasti-Xuto	554,510	554,510	-	(No trading transaction of PTT shares in 2020)
	Spouse and children under legal age	-	-	-	-
5.	Ms. Pannalin Mahawongtikul	288,120	288,120	-	(No trading transaction of PTT shares in 2020)
6.	Mrs. Arawadee Photisaro	-	-	-	(No trading transaction of PTT shares in 2020)
	Spouse	1,140	1,140	-	-
	Children under legal age	-	-	-	-
7.	Mr. Terdkiat Prommool	N/A	-	-	Appointed on October 1, 2020 (No PTT share held)
	Spouse and children under legal age	N/A	-	-	-
8.	Ms. Duangporn Thiengwatanatham	77,000	77,000	-	(No trading transaction of PTT shares in 2020)
9.	Ms. Peangpanor Boonklum	-	-	-	(No PTT share held)
10.	Mr. Wuttikorn Stithit	141,210	141,210	-	(No trading transaction of PTT shares in 2020)
	Spouse	90,960	90,960	-	-
	Children under legal age	-	-	-	-
11.	Dr. Buranin Rattanasombat	N/A	214,190	-	Appointed on June 1, 2020 (No trading transactions of PTT shares in 2020)
	Spouse and children under legal age	N/A	-	-	-

No.	Name	Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the Year	
12.	Mr. Disathat Panyarachun	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
13.	Mr. Noppadol Pinsupa	136,000	136,000	-	(No trading transaction of PTT shares in 2020)
	Spouse	508,000	508,000	-	-
	Children under legal age	-	-	-	-
14.	Mr. Montri Rawanchaikul	N/A	64,000	-	Appointed on October 1, 2020 (No trading transactions of PTT shares in 2020)
	Spouse and children under legal age	N/A	-	-	-
15.	Dr. Kongkrapan Intarajang	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
16.	Mr. Wirat Uanarumit	155,000	159,000	4,000	(There were trading transaction of PTT shares in 2020)
	Spouse	-	12,000	12,000	(There were trading transaction of PTT shares in 2020)
	Children under legal age	-	-	-	-
17.	Mr. Chawalit Tippawanich	10,000	10,000	-	(No trading transaction of PTT shares in 2020)
	Spouse and children under legal age	-	-	-	-
18.	Mr. Worawat Pitayasiri	-	-	-	(No PTT share held)
	Spouse and children under legal age	-	-	-	-
19.	Ms. Jiraphon Kawswat	-	-	-	(No PTT share held)
20.	Mr. Yongyos Krongphanich	3,000	3,000	-	Transferred to PTT Exploration and Production Public Company Limited, effective from December 31, 2020 (No trading transaction of PTT shares in 2020)
	Spouse and children under legal age	-	-	-	-
21.	Ms. Wilaiwan Kanjanakanti	36,990	36,990	-	(No trading transaction of PTT shares in 2020)
22.	Ms. Jaroonsri Wankertphon	N/A	26,000	-	Newly appointed with effect from October 1, 2020. (No trading transaction of PTT shares in 2020)

**Remarks:**

No PTT share was held by executives' spouses and children under legal age except those of No. 1, 6, 10, 13 and 16.

## Securities Portfolios of Management Newly Appointed/ Transferred/ Resigned/ Retired in 2021

No.	Name	Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the Year	
1.	Mrs. Chanamas Sasnanand	N/A	N/A	N/A	Appointed on January 1, 2021
	Spouse and children under legal age	N/A	N/A	N/A	-

## Securities Portfolios of Management Transferred/ Resigned/ Retired in 2020

No.	Name	Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the Year	
1.	Mr. Chansin Treenuchagron	-	N/A	N/A	Completed his term on May 13, 2020. (There were trading transactions of PTT shares during office-holding in 2020)
	Spouse and children under legal age	-	N/A	N/A	-
2.	Mr. Phongsthorn Thavisin	10,000	N/A	N/A	Retired on September 30, 2020 (No trading transaction of PTT shares during office-holding in 2020)
	Spouse	15,000	N/A	N/A	(There were trading transactions of PTT shares during office-holding in 2020)
	Children under legal age	-	-	-	-
3.	Mr. Preecha Pocatanaawat	-	N/A	N/A	Retired on September 30, 2020 (No trading transaction of PTT shares during office-holding in 2020)
	Spouse and children under legal age	-	-	-	-
4.	Ms. Duangkamol Settanung	80,000	N/A	N/A	Retired on September 30, 2020 (No trading transaction of PTT shares during office-holding in 2020)
	Spouse and children under legal age	-	-	-	-

No.	Name	Shares			Remarks
		As of Dec. 31, 2019	As of Dec. 31, 2020	Change during the Year	
5.	Mr. Chienvit Udomwatwong	15,160	N/A	N/A	Retired on September 30, 2020 (No trading transaction of PTT shares during office-holding in 2020)
	Spouse and children under legal age	-	N/A	N/A	-

**Remarks:**

PTT has 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: PTT-W1 (40,000,000 units), offered in 2005, with the last exercise date on August 31, 2010, and 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 of the topic are reported under section 2, Corporate Governance.

**(7) Declaration of vested interests in meetings**

Details of the topic are reported under section 2, Corporate Governance.

**(8) Deliberation and review of related transactions**

Details of the topic are reported under section 2, Corporate Governance.

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

The Board values corporate governance. In the initial years, three Specific Committees were set up, namely the Audit Committee, Nominating Committee, and Remuneration Committee. The Audit Committee was charged with corporate governance and risk management at the Board level.

Then in 2004 the Board appointed a Corporate Governance Committee in support of and screening actions concerning corporate governance and management for excellence. In 2013 it appointed an Enterprise Risk Management Committee to more explicitly focus on PTT's risk management in line with the corporate governance code that should be observed by state enterprises' listed companies, issued by the State Enterprise Policy Office in 2009. PTT today therefore has five specific committees to prudently screen key tasks under the corporate governance code and focus on shareholders' best interests with due regard for all stakeholders, marked by business ethics, transparency, and auditability. All these specific committees are made up of non-executive directors that are qualified for their responsibility as required by SET, and their roles and responsibility are clearly defined in writing. Since 2009, the authority and duties of the Corporate Governance Committee have been broadened to assignment of policies and guidelines and monitoring of tasks concerning

responsibility for society, communities, and the environment so that the committee may more completely and efficiently look after stakeholders. In 2013 the committee's expanded authority embraced the formulation of a work scope for PTT's anti-fraud. In 2015 and 2016 the Board updated the authority and duties of the Nominating Committee, Remuneration Committee, Corporate Governance Committee, and Enterprise Risk Management Committee. In 2017 the Board approved the Enterprise Risk Management Committee's additional duty of stakeholder management process supervision. Then in 2019 the Board added to this additional duty investment screening and commenting. This year the Board approved the modification of the duties and responsibility of the Audit Committee for greater pragmatic clarity in line with real-life practices; the Corporate Governance Committee for GRC coverage; and the Enterprise Risk Management Committee for coverage of corporate innovation management.

## **8.3 Report of the Audit Committee for 2020**

### **8.3.1 Report of the Audit Committee**

See on page 288 - 290

## **8.4 Report of the Specific Committees for 2020**

### **8.4.1 Report of the Nominating Committee**

See on page 291

### **8.4.2 Report of the Remuneration Committee**

See on page 292

### **8.4.3 Report of the Corporate Governance Committee**

See on page 293 - 295

### **8.4.4 Report of the Enterprise Risk Management Committee.**

See on page 296 - 297

## Report of the Audit Committee

PTT Plc.'s present Audit Committee is made up of three knowledgeable independent directors, chaired by Professor Dr. Kittipong Kittayarak, with Mr. Danucha Pichayanan and Mr. Krishna Boonyachai serving as members. The individual terms this year appear below;

### January 1<sup>st</sup> to July 3<sup>rd</sup>, 2020:

- Mr. Vichai Assarasakorn  
Chairman
- Mrs. Nuntawan Sakuntanaga  
Member
- Mr. Danucha Pichayanan  
Member

### July 3<sup>rd</sup> to December 31<sup>st</sup>, 2020:

- Professor Dr. Kittipong Kittayarak  
Chairman
- Mr. Danucha Pichayanan  
Member
- Mr. Krishna Boonyachai  
Member.

Serving as secretary to this committee is Mr. Chadil Chavanalikhikorn, Executive Vice President, Office of Corporate Audit.

In 2020, 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 corporate governance, together with an adequate risk management and internal control system, as well as enforcement of compliance. It ensured PTT's emphasis on being a transparent organization with efficient and effective internal audit activity, while aligning corporate goals, and transforming the Office of Corporate Audit to be a trustworthy partner for sustainable long-term value creation for PTT with due regard for satisfying stakeholders' expectations. Below are its performance highlights.



1. Advocated the upgrading of processes of governance, risk management, internal control, and compliance, with a focus on forming a corporate culture of business integrity underlined by integrated actions under the Three Lines Model. The ultimate goal is to make improper actions intolerable to executives and employees, who will agree that efficient, effective operation produces less opportunities for fraud and corrupt practices.

2. Promoted operating safety measure as a priority for the management team for both PTT's operation and operation by its stakeholders. To this end, the committee recommended that management should review operating and monitoring processes, and also, consider technological application in support of operation to raise corporate safety standards.

3. Advised management to apply lessons learnt from various operations to make operating processes more efficient and fair, especially, contract management and procurement processes.

4. Encouraged PTT's transformation into a Data-Driven Organization so that it may have a single database accessible to the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> Lines under sound data governance; also, the committee supported management's priority given to cybersecurity risk management, marked by an ongoing process to build up understanding and awareness among the Board, management, and the workforce (Peopleware).

5. Supported technological application for greater performance efficiency and effectiveness, warding off non-compliance, deterring fraud and corrupt practices; also, the committee advocated operating transparency, including development of "Digital Procurement" and "Investment Dashboard", improvement of the international trading operating system, and application of the Robotic Process Automation (RPA) in various processes.

6. Assigned a policy on upgrading PTT Group's internal audit activity quality, leading to efficient, effective, credible, and professional practices by focusing on audit of efficiency and effectiveness apart from audit of compliance so as to add value for PTT and PTT Group. Personnel development was to be ongoing, and additional technology found application in audit work.

In 2020 the committee held 14 meetings, with attendance detailed below:

**January 1<sup>st</sup> to July 3<sup>rd</sup>, 2020:** 7 meetings

- Mr. Vichai Assarasakorn  
7 times
- Mrs. Nuntawan Sakuntanaga  
7 times
- Mr. Danucha Pichayanan  
6 times.

**July 3<sup>rd</sup> to December 31<sup>st</sup>, 2020:** 7 meetings

- Professor Dr. Kittipong Kittayarak  
7 times
- Mr. Danucha Pichayanan  
6 times
- Mr. Krishna Boonyachai  
7 times.

## Summary of Performance

### 1. Review of financial reports:

The committee reviewed quarterly and annual financial reports together with consolidated financial reports with management, the Office of Corporate Audit, and the experiences 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 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 for unforeseen events.

### 3. Review of internal control process effectiveness:

The committee reviewed PTT's internal control with the Office of Corporate Audit by examining its operation, resource consumption, stewardship of properties, prevention or reduction of errors or damage, losses, waste, or fraud, 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 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, with ongoing compliance.

#### 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 internal audit:

The committee reviewed the Office of Corporate Audit's strategic plans, annual and long-term internal audit plans, conformance to plans and internal audit findings. To this end, it advised and monitored corrective and proactive actions for significant aspects of good governance and adequate internal control. It considered amending the internal audit charter and reviewed the annual budget of the office, its personnel development, recruitment, rotation, training plans, and confirmation of audit freedom. Also reviewed were the office's adequacy and suitability of resources, KPIs, and the annual merit consideration for the executive vice president heading the office. The committee also supervised ongoing quality and task improvement of the Office of Corporate Audit.

#### 6. Quality assurance of the Audit Committee:

The committee not only reviewed its own charter, but also assessed its own performance as a group and individuals (self-assessment and cross-assessment) against SET's best practices to ensure efficient, fruitful performance. Overall assessment result for the committee as a group were "regularly perform", results for self-assessment were "good", and results for cross-assessment were "excellent". Action plan to improve its own performance were set. Finally, the committee reported its performance outcomes to the Board every quarter, with comments noted for value addition and process improvement of governance, risk management, and internal control supervision as well as compliance with PTT's regulations.

#### 7. Appointment of the external auditor for 2021:

The committee endorsed Ms. Waraporn Prapasirikul, CPA No. 4579 and/or Mrs. Saifon Inkaew, CPA No. 4434, and/or Ms. Rungnapa Lertsuwankul, CPA No. 3516, or all, of the EY Office Co., Ltd., as the external auditors for 2021 for the Board's concurrence and the shareholders' approval at the 2021 AGM, together with its audit fees. The committee also met exclusively with the external auditor on one occasion in absence of PTT management to discuss about 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 freedom 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.

## Report of the Nominating Committee



The present Nominating Committee consists of three independent directors, chaired by Mr. Don Wasantapruerk, with Professor Dr. Surapon Nitikraipot and Police General Rungroj Sangkram as members. The Company Secretary or the Executive Vice President, Company Secretary and Corporate Relations, serves as its secretary.

This year the committee executed Board-assigned duties with due prudence, transparency, and fairness and updated its approach to align with up-to-date business strategies with due regard for shareholders' and stakeholders' best interests. The outcomes of this year's nine meetings are highlighted below.

- 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's Pool of the Ministry of Finance and Thai

Institute of Directors (IOD). Their track records as well as past to present roles must ensure shareholders' confidence. Their background must also be unblemished experiences and without conflicts of interest with PTT. The names of qualified candidates were tabled for the Board's concurrence for appointment by the AGM. Those names must also have the endorsement of a Sub-Committee for the Screening Committee for State Enterprise Committee along with the endorsement of the Chairman, State Enterprise Policy Committee, in keeping with the Cabinet resolution on state enterprise director's appointment guidelines dated August 6, 2019.

- Nominated directors to replace those resigning during the year. To this end, the committee carefully tabled qualified names along with their profiles to the Board for appointment. The names must also secure prior concurrence from the State Enterprise Policy Committee

- Nominated directors for specific Board subcommittees, based on their compositions, qualifications, expertise, competencies, related skills and suitability (Skill Matrix) for the Board's appointment, with the exception of the Nominating Committee itself, which is to be appointed by the Board

- Reviewed the Board Skill Matrix as well as the matrix for the five specific committees to decide whether the matrix still aligned with PTT's strategies and KPIs determination to measure the Board's performance outcomes (in addition to the Board assessment) and tabled the findings for the Board's comments

- Consulted each other on the driving/supervision of the Board's performance guidelines for sustainable development

- Improved its own performance to be more thorough, suitable, timely, and aligned with PTT's corporate governance code.

In 2020, the Board gave minor shareholders the opportunity to nominate directors, but no such nomination was put forward for the 2020 AGM. For transparency, other details appear in this 56-1 One Report.

## Report of the Remuneration Committee



In 2020, the Board of Directors appointed the Remuneration Committee, which consists mainly of independent directors. The committee is chaired by General Teerawat Boonyawat, an independent director, with Mr. Chumpol Rimsakorn and Police General Rungroj Sangkram as members. Serving as secretary was the Company Secretary or the Executive Vice President, Company Secretary and Corporate Relations.

The committee performed its duties with prudence and care by screening and commenting on key issues for the Board's consideration. The outcomes of 2020's five meetings are highlighted below.

- Considered the 2020 remuneration for the Board and its subcommittees, based on PTT's performance results and business size, guidelines 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 purpose for approval at the 2020 AGM.

- Reviewed assessment guidelines for the President & CEO's performance to decide his new remuneration, based on factors linked to the agreement of the annual performance assessment for state enterprise, between PTT and the State Enterprise Policy Office, his performance results against the corporate vision, together with his managerial ability, leadership, self-assessment, and assessment by all individual directors. All these had gone into the committee's consideration before it tabled its views to the Board for approval.

- Acknowledged and commented on the assessment of senior executive vice presidents.

- Reviewed details of appropriate guidelines for improving variable bonuses for employees and executives.

For transparency, the Remuneration Committee has disclosed the pays of all directors and subcommittee members together with management's pays in this 56-1 One Report.

## Report of the Corporate Governance Committee



The current Corporate Governance Committee is made up of three independent directors, namely Mrs. Nuntawan Sakuntanaga (Chairman, replacing Professor Dr. Kittipong Kittayarak from July 3, 2020), Professor Dr. Surapon Nitikraipot (member), and Dr. Thon Thamrongnawasawat (member since October 1, 2019). The Senior Executive Vice President, Corporate Governance and Regulatory Affairs, and the Senior Executive Vice President, Office of General Counsel, serve as secretaries.

Highly valuing business conduct with integrity, accountability, and resistance to all forms of fraud and corruption, the Board stresses PTT's firm commitment to becoming a corporation of transparency and morality under corporate governance (CG), a high ethical standard, a Code of Business Conduct, and PTT Group's scope of sustainability development to upgrade PTT's CG system for relentless efficiency to in turn boost fairness and confidence among all its stakeholders and lead to PTT's sustainable growth.

To this end, the Board has assigned this committee to propose CG guidelines and oversee the conduct of the directors and management to ensure conformance to CG principles, SEC's and SET's CG principles, IOD's recommendations from the Corporate Governance Assessment Report, and the international principles of the Organization for Economic Cooperation and Development (OECD) together with the ASEAN CG Scorecard (ACGS), the Ten Principles of the UN Global Compact (UNCG), and the DJSI Corporate Sustainability Assessment, as well as sustainability management and scope formulation for the oversight of PTT's applicable anti-fraud and corruption tasks.

In 2020, the committee held nine meetings as planned to track and assess CG and anti-fraud and corruption tasks, as well as social, community, and environmental responsibility together with sustainable development plans, as highlighted below:

### Information Disclosure and Transparency

- Prepared 56-1 One Report 2020, and disclosed PTT's quarterly performances and material information for shareholders, investors, and the public, complete with material, adequate, credible, and timely details through assorted channels, including SET's publicity channels and [www.pttplc.com](http://www.pttplc.com). The core units taking charge of information distribution were Investor Relations and Corporate Communication and Branding.

- Disclosed sustainability performance data taking into account all stakeholders covering Environmental, Social and Governance (ESG) dimensions through 56-1 One Report 2020 under the topic of driving business towards sustainability, integration of the sustainability performance with the topic of risk management, Management Discussion and Analysis, and Corporate Governance under the applied Global Reporting Initiative (GRI) Sustainability Reporting Standard 2016 and Oil and Gas Sector Disclosure (OGSD). It presented performance data under Integrated Reporting (IR) formats of the International Integrated Reporting Council (IIRC), provided the progress report in compliance with

the Ten Principles of the United Nations Global Compact (UNGC), and reported operating outcomes that confirmed PTT's staunch support for sustainable development goals in line with the scope of the UN Sustainable Development Goals (SDGs) with the applied Recommendations of The Task Force on Climate-related Financial Disclosures (TCFD) in reporting business outcomes related to climate change. Moreover, a third party was commissioned to constantly review the report, with disclosure of the report on PTT's, GRI's, and UNGC's websites. In addition, PTT advocated preparation of this report by PTT Group companies, namely PTTEP, GC, Thaioil, IRPC, GPSC, and OR, in compliance with SEC's and SET's direction of convincing listed companies to disclose performance data on the environmental, social, and governance sides on a par with international practices.

#### Rights of the Shareholders

- Held the 2020 AGM and provided in advance adequate and timely information on the date, time, venue, and agenda as well as all information relevant to matters needing decisions at the AGM. Informed the shareholders about meeting rules and distributed such information on PTT's website before sending out meeting notices to give shareholders adequate time to study details. Facilitated their full exercising of meeting and voting rights under situation of the epidemic of Coronavirus 2019 (COVID-19). As a result, PTT achieved an "outstanding" score on the AGM Checklist assessment.

#### Equitable Treatment of Shareholders

- Allowed shareholders to propose additional agenda items and nominate directors for election in advance from September 1 to November 30, 2020, as required by PTT.
- Required all directors and executives to disclose vested interests about themselves and related parties for 2020 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 on any meeting agenda items to abstain, refrain from commenting, and skip such agenda items.
- Required all directors, executives, and employees to report by paper form or electronically report their conflicts of interest for 2020 on the PTT Intranet. No significant conflict was reported this year.
- 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 and management to refrain from PTT Group companies' securities trading. If such trading is necessary, for transparency they must notify the Corporate Secretary ahead of time.

#### Responsibilities of the Board

- Assessed Board performance namely overall, self-assessment, cross-assessment, subcommittee assessment, and duty and performance assessment of the Chairman, satisfaction with performance of subcommittees, and chairman of each subcommittee. The outcomes for 2020 were "outstanding".
- Attended training courses to develop competencies in directorship, such as courses hosted by the Thai Institute of Directors (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 and matters related to energy and related businesses.
- Held one meeting among the independent directors.
- Held one non-executive meeting.

#### Recognition of Stakeholders

- Endorsed an action plan on PTT's CG and anti-fraud and corruption for 2020 together with the annual goals before cascading to implementation, followed by constant monitoring, with recommendations provided to upgrade PTT's CG on a par with international standards.
- Provided oversight for the review of "PTT Corporate Governance, Ethical Standards and Code of Business Ethics Handbook" regarding the amendment of duties and responsibilities of the Corporate Governance Committee to embrace good corporate governance, operational risk management and internal control, Governance Risk and Compliance (GRC), and the amendment of duties and responsibilities of the Enterprise Risk Management Committee to cover the governance of organizational innovation.
- Assigned the Corporate Governance Policy and advised the Governance, Risk and Compliance Management Committee (GRCMC), in charged with steering CG, operational risk management, internal control, and compliance management. GRCMC also serves as PTT's Anti-Fraud and Corruption Operation Center for State Enterprises.

- Assigned policies and provided recommendations to management on the definition of a PTT Group governance policy. To this end, a PTT Group Way of Conduct was developed to house guidelines, code of practice, and business processes of various aspects of PTT and PTT Group that align and harmonize with one another. PTT Group Way of Conduct then aids the oversight of PTT-invested companies through the implementation and driving of all PTT Group companies to adopt the same standard.

- Advocated and urged PTT's business allies to declare their intention to join Thai Private Sector Collective Action against Corruption (CAC).

### CSR and Sustainable Development

- Defined PTT Group Sustainability Management Framework by committing to corporate citizenship that values the three principles of Environmental, Social and Governance as operating policy in tandem with business, and defined a social responsibility towards communities which forms PTT's major groups of stakeholders at all operating sites whose wellbeing PTT aims to raise. PTT's stewardship also covers social network communities across the country under the two-dimensional operations namely development of human resources, communities, and society (Social), and conservation of natural resources and the environment (Environmental). PTT applies PTT group's expertise to the driving of community self-development, particularly support for creating inclusive businesses which stress inclusion of the underprivileged and low-income earners as part of PTT's business.

- Development of human resources, communities, and society (Social) promotes items 4, 7, and 8 of the UN Sustainable Development Goals (SDGs) involving access to quality education, clean energy, economic growth, poverty alleviation, decent vocational skills, and income generation opportunities, as well as sustainable social investment in the form of Social Enterprise (SE) through Sarn Palung Social Enterprise Co., Ltd.

- Conservation of natural resources and the environment (Environmental) promotes item 15 of the UN Sustainable Development Goals (SDGs) involving conservation and rehabilitation of natural resources and the environment through expansion of green urban areas and suburban forests, as well as awareness raised for environmental conservation through PTT learning center.

- Passed assessment by SAM Corporate Sustainability Assessment and qualified as a member of DJSI for the 9<sup>th</sup> consecutive year with the highest score as Industry Leader in Oil & Gas Upstream & Integrated (OGX) among the 7 out of 54 companies invited to join Dow Jones Sustainability World Index (DJSI World), and among the 2 out of 18 companies invited to join Dow Jones Sustainability Emerging Markets Index (DJSI Emerging Markets). PTT achieved an industry-best score on Materiality, Codes of Business Conduct, Policy Influence, Tax Strategy, Energy Mix, Environmental Reporting, Social Reporting, Human Rights, Human Capital Development, Corporate Citizenship and Philanthropy, and Occupational Health and Safety among the Oil & Gas Upstream & Integrated (OGX) category.

### Awards of Pride

Thanks to its firm commitment to operating businesses with CG and social responsibility, coupled with constant sustainability management and improvement, in 2020 PTT earned extensive acclaim from domestic and international entities alike. Awards included:

- The 9<sup>th</sup> Integrity Award presented by the Office of the National Anti-Corruption Commission (NACC) for the 2<sup>nd</sup> consecutive year.

- Passed NACC Integrity & Transparency Assessment (ITA) at the "very high" level for the 6<sup>th</sup> consecutive year; the assessment outcome for 2020 was in the A range.

- Received "Excellent" ranking based on the 2020 survey of listed companies (Corporate Governance Report of Thai Listed Companies 2020) for the 12<sup>th</sup> consecutive year.

- Received ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) award as a Thai listed company that passed assessment according to the criteria of ASEAN CG Scorecard with the scores of 97.50 upward (ASEAN Asset Class PLCs), ASEAN Top 20 PLCs, and Country Top 3 PLCs (Thailand).

## Report of the Enterprise Risk Management Committee



PTT Plc. values corporate risk management as an indispensable tool for coping with risk factors from outside and inside the corporation, including the volatile world economy, various uncertainty, and emerging risks that are increasingly complex and severe. Since all these could compromise business outcomes, risk management plays such a critical role in alleviating these impacts and steering PTT toward its business goals.

The Enterprise Risk Management Committee (ERMC) has supported the Board's performance under corporate governance to keep risk management efficient and effective for goal achievement while aligning with the corporate vision and direction as well as mitigating impacts of business uncertainty. The key is to ensure shareholders and stakeholders that PTT's risk management system can indeed handle all these risks.

In 2020, ERMC held a total of 10 meetings as highlighted below.

### 1. Steered Risk Management to Ease Business Impacts:

ERMC defined proactive measures focusing on lowering the probability of all risk events while commanding passive measures should risk events actually arise so as to ease impacts on corporate goals. It defined comprehensive risk management plans for all situations. In 2020, PTT's risk management policy and process were aligned with the COSO: ERM 2017 standard as recommended by SET for listed companies. PTT issued a declaration of the "Risk Appetite Statement" to ensure that its corporate risk management process is appropriate as well as practical. In addition, the Board has endorsed ERMC's new responsibility for steering corporate innovation management.

**2. Oversaw Corporate Stakeholder Management:**

This was designed to make such management complete and embrace comprehensive management of all stakeholders. ERMC endorsed the following matters:

- 2.1 Stakeholder management strategies
- 2.2 Stakeholder management objectives and scope
- 2.3 Stakeholder policy
- 2.4 Stakeholder groups
- 2.5 Critical corporate issues for stakeholders together with operating guidelines, including the drive for implementation by all functions and monitoring of operation and outcomes of management assessment. ERMC also provided comments and advice for goal achievement.

**3. Closely Monitored Corporate Risk Management Every Quarter in 2020:**

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

**4. Screened the List of 2021 Corporate Risks and Sought Endorsement of the Board:**

To this end, a list of corporate risk items and risk management plans was integrated with the preparation of the annual enterprise plans. As a result, risk management plans have become more explicit and in line with the corporate business direction, strategies, and goals. Implementation was cascaded across the corporation to efficiently address risks and promptly handle them.

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