



Compliance Framework

PTT Public Company Limited

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Message from President and Chief Executive Officer

PTT believes that sustainable business growth is the true success of the organization. Therefore, we are committed to maintaining a balance between generating good performance and complying with laws, rules, and regulations, and conducting business ethically and transparently. These are the fundamental foundations for driving sustainable and balanced business growth, enhancing confidence, and trust from all stakeholders.

PTT places great importance on compliance with laws, rules, and regulations and recognizes that being a good role model and promoting a compliance culture within the organization are essential key drivers in conveying this commitment. To ensure that all executives and employees can follow the Compliance Policy of PTT appropriately, PTT has developed this Compliance Framework. I would like to invite all executives and employees to study and adhere to the Compliance Framework, and I hope that it will be beneficial in guiding your operations to lead our organization to future success.

Thank you to all executives and employees for jointly creating a strong future for PTT, under the vision *“Together for sustainable Thailand, sustainable world.”*

(Mr. Kongkrapan Intarajang)

President and Chief Executive Officer

PTT Public Company Limited

4 FEBRUARY B.E. 2568

Introduction

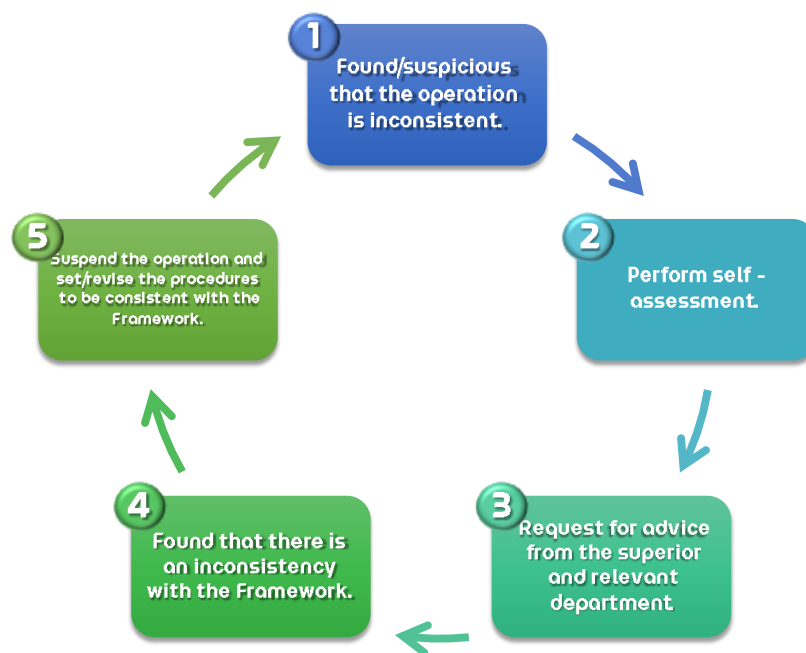
This Compliance Framework is the principle for PTT and PTT personnel to strictly adhere to as the framework for the business operation to align with laws applicable to PTT. It is the expression of intention that PTT personnel shall operate a business with an understanding of their tasks, whether they are related to or shall comply with any laws, rules, regulations, and resolutions, and shall be aware of the impact and damages resulting from violation or breaching of laws, rules, regulations, and resolutions related to their duties and responsibilities.

This Compliance Framework is not the conclusion of any laws, rules, regulations, or orders related to PTT. It does not prescribe any specific process or working procedures. However, it serves as a framework for the operators to apply as a principle in performing their tasks. The operators shall study the details of the processes and procedures consistent with laws, rules, regulations, and any resolutions enforced, as well as know and comply with their specific professional standards.

PTT personnel shall acknowledge and understand the Compliance Policy and this Compliance Framework. PTT personnel can initially consult with an immediate superior if there are any queries. The immediate superior may then consider consulting the Compliance Department or the specific law and regulatory governance units.

Processes and Procedures in Applying Compliance Framework

1. To study and understand all aspects of this Compliance Framework.
2. To conduct the self-assessment of your operation to determine whether there is any inconsistency with this Compliance Framework (Self-Assessment).
3. If there is any doubt regarding the operation, the question shall be escalated to an immediate superior for initial advice. If the immediate superior considers the question related to the interpretation of external laws or internal rules and regulations of PTT, the immediate superior may consult the Compliance Unit.
4. If it is found or suspicious that the operation is inconsistent with this Compliance Framework, the below procedures shall be followed.



Part I

Definition

“**PTT**” means PTT Public Company Limited

“**Board of Directors**” means Board of Directors of PTT Public Company Limited

“**Directors**” means Directors of PTT Public Company Limited

“**President and Chief Executive Officer**” means President and Chief Executive Officer of PTT Public Company Limited.

“**The Compliance Unit**” means the Compliance Department, including the specific law and regulatory governance units (2nd line).

“**PTT personnel**” means the executives, officers, and employees of PTT Public Company Limited and shall mean officers of any companies where PTT holds the shares, performing their tasks in PTT.

“**Corporate Laws and Regulations Governance**” means the overseeing process in governance the compliance with corporate laws and regulations including the establishment of policies, structures, roles, duties, and responsibilities of PTT personnel relevant the compliance with corporate laws and regulations both in the operation units and the support units and also means the process of gathering and follow up laws, risk identification and risk assessment, communication and training to strengthen the knowledge and understanding the corporate laws and regulations, providing consulting, verification and prevention, reporting and tracking in order to promote the compliance with the corporate laws and regulations and to reduce the potential impact that may occur from the noncompliance with currently enforced corporate laws and regulations or in which shall be enforced in future that may lead corporate to be punishable by laws or loss its economic benefit or reputation.

“**External authorities**” means any regulatory bodies or any external auditors who enforce the laws, rules and regulations and other disciplinaries which PTT shall have to conform to such as Office of National Anti-Corruption Commission (ONACC), Securities and Exchanges Commission (SEC), The Stock Exchange of Thailand (SET), State Enterprise Policy Office (SEPO), Office of the Energy Regulation Commission, Ministry of Energy, Ministry of Commerce.

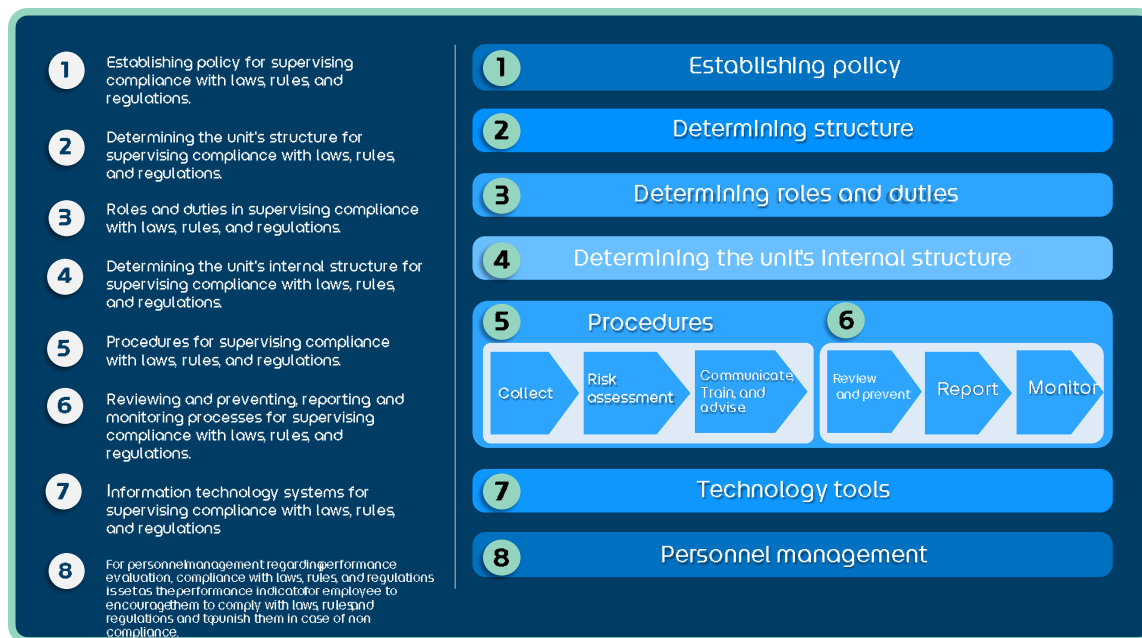
“Laws” means any laws, rules, and cabinet resolutions related to and enforced with PTT, regulations, principles, and any announcements stipulated by the external authorities to which PTT must comply.

“Corporate Regulations” means any regulations, provisions, policies, orders, frameworks, announcement, or principles legally issued by PTT for PTT personnel to comply with.

Part 2

The Components of the Compliance Framework

The Components of the Compliance Framework consist of 8 main components as follows:



2.1 Establishment of policy for overseeing the compliance with laws, rules, and regulations

PTT, by its Board of Directors, has established the appropriate policy for overseeing the compliance with laws, rules, and regulations (Tone from the TOP) that are consistent with its business nature to promote the corporate culture where everyone realizes the importance of compliance with laws, rules, and regulations. PTT also continuously communicates the policy to promote PTT personnel to be knowledgeable, understand, and comply with the laws, rules, and regulations applicable to the PTT's business operation. In addition, PTT will review the principle of the policy at least once a year for the policy to be consistent with PTT's current business operation and comply with international compliance standards.

2.2 Establishment of the unit's structure for supervising compliance with the laws, rules, and regulations.

The structure of PTT's laws, rules, and regulations compliance governance units has been well established for the overseeing business operation process to be efficient, effective, and comply with policy prescribed for compliance with law, rules, and regulations. In designing the

structure and in prescribing the roles, duties, and responsibilities relating to overseeing the compliance with laws, rules, and regulations, PTT has considered the “hybrid governance structure (Hybrid)” by having the center unit overseeing the compliance with laws, rules, and regulations (Corporate Compliance) and having the specific law and regulatory governance units (2nd line) as detailed below;

The center unit overseeing the compliance with laws, rules, and regulations is the Compliance Department. Currently, the Compliance Department is under the Governance, Risk Management & Internal Control and Compliance: GRC under the supervision of the Senior Executive Vice President, Organization Effectiveness and Corporate Governance, who directly reports to the President and Chief Executive Officer.

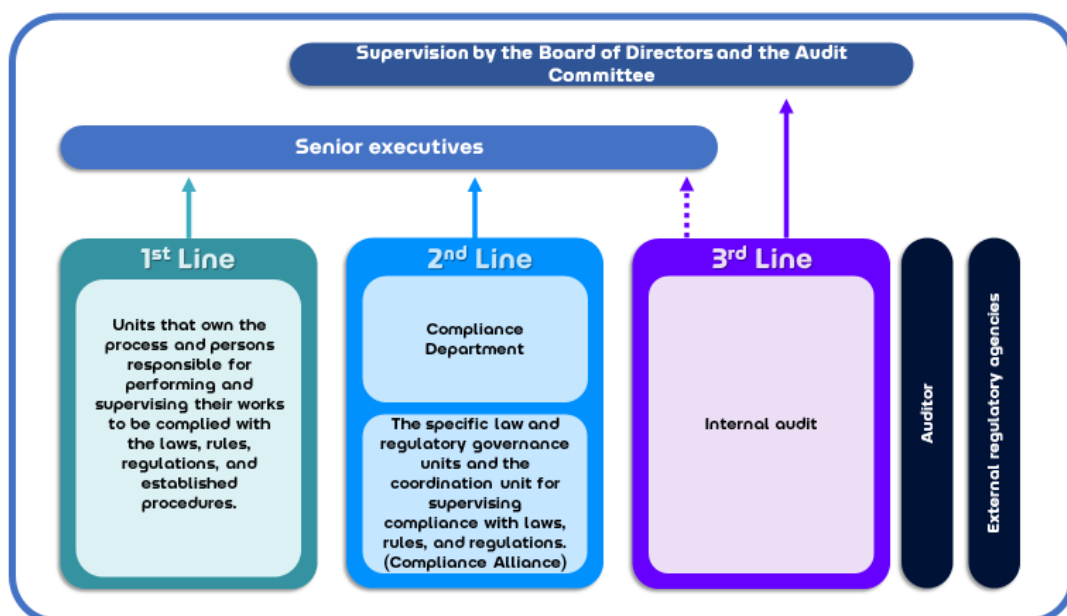
In respect to **the specific law and regulatory governance units (2nd line)**, PTT has supplemented the scope of overseeing the compliance with specific laws, rules, and regulations to some PTT internal units responsible for supervising the compliance with specific laws rules, and regulations. These units are, for example, the Policy and Tax Strategy Planning Department, the Good Governance and Corporate Ethics Department, the Internal control and Risk Management Department, the Human Resources Strategy & Policy Department, the Strategic Procurement and Administration Department, **including the GRC agent** to coordinate or support each operation units to properly with comply with laws, rules, and regulations.

2.3 Roles and Responsibilities in overseeing the compliance with laws, rules, and regulations

PTT has prescribed roles and responsibilities in overseeing the compliance with laws, rules, and regulations consistent with the designed structure, to help establish the efficient overseeing process, reduce the confusion of work operation, and avoid any damages that may occur due to noncompliance with laws, rules, and regulations, by establishing the roles and responsibilities and clear reporting lines in the level of Board of Directors, President and Chief Executive Officer, executives and employees. PTT has divided roles and responsibilities following Three Lines Model as follows;

- 1) **1st Line** is the unit that owns the operation processes, having the duty to conduct and supervise their operations to be consistent with laws, rules, and regulations and the prescribed processes. This includes maintaining internal controls and appropriate risk management.
- 2) **2nd Line** is the Compliance Department and the specific law and regulatory governance units, having the duties to develop the policies, criteria, and standards for compliance with laws, rules, and regulations, as well as to oversee the operation of any units under their responsibilities to be in compliance with laws, rules, and regulations and to provide advice and knowledge, and to communicate the prescribed policies, laws, rules, and regulations.
- 3) **3rd Line** is the Internal Audit of PTT, an independent function with the audit report directly to the Audit Committee and the administration report to the President and Chief Executive Officer. The Internal Audit of PTT has the duty to audit the 1st Line and the 2nd Line operation processes to effectively and efficiently operate as prescribed.

A diagram for Three Lines Model



In addition, PTT also has a GRC Agent to support and coordinate the operations in compliance with the law, rules, and regulation.

2.4 Establishment of the internal structure of corporate laws and regulations compliance governance unit

PTT's Compliance Department has defined its duties and responsibilities to cover the establishment of compliance policies, the provision of support and advice on compliance matters, risk assessment, and verification and prevention, including tracking and reporting the operation outcomes of the operation units that need to be improved. The roles and responsibilities have been clearly prescribed in the PTT's Compliance Charter.

2.5 Procedure of Compliance

PTT, by the Compliance Department, has a procedure for its operation to ensure that PTT achieves the target of Zero Non-Compliance and the Compliance Policy, as well as the compliance procedure that is consistent with international standards. PTT has set compliance procedure consisting of 3 main missions as follows:

2.5.1 Gathering of laws, rules, and regulations related to PTT's business operation by having a database that is easy to access and use.

2.5.2 Conducting a risk assessment of PTT' Compliance to prioritize and effectively develop training and communication plans, including encouraging an evaluation of each operation unit's capability to comply with relevant laws, rules, and regulations to prevent non-compliance.

2.5.3 Communicating, training, and consulting – currently, PTT has the Compliance Department as a channel to communicate and provide training on Compliance to PTT personnel. The exchange of knowledge with the PTT Group Companies was also periodically conducted to promote and raise awareness of the significance of complying with related laws, rules, regulations, and policies, as well as offering advice on Compliance to operation units to be applied in their operations.

2.6 Reviewing and Preventing, Reporting, and Tracking of Compliance Procedure

2.6.1 Other than the Internal Audit of PTT (3rd Line) that has an effective and reliable audit procedure, an authority to independently and rapidly report to executives, and a method for information preservation and protection of the information provider, PTT also has the laws and

regulatory government units (2nd Line) that has a duty to verify operation units on the compliance with laws, rules, and regulations. The verification can be conducted in 2 approaches:

1) The verification by the operation units itself or the “Self-Assessment” designed by the laws and regulatory governance unit. The assessor will be the procedure owner who performs the actual work (1st Line).

2) The verification by the Compliance Unit as the 2nd Line by conducting, for example, the random verification on Compliance procedure of the 1st Line.

The result of the verifications shall be taken into the evaluation and analyzing process in order to develop the operation improvement plan and prevent any operation inconsistent with relevant laws, rules, and regulations. These 2 verification approaches shall consist of a precise verification plan considering the redundancy that may arise from any verification conducted by other units in PTT that have the duties to verify or inspect on a particular issue.

2.6.2 Reporting of the assessment result and analysis of information obtained from the operations in corporate laws and regulations governance shall be summarized and proposed to the line executives and any committees of PTT for acknowledgment, including proposing the operation procedure improvement plan to be consistent with laws, rules, and regulations. In this case, the Compliance Unit will define the issue to be reported and the frequency of reporting.

2.6.3 The follow-up of any improvement and correction, according to the improvement plan proposed to executives under 2.6.2 of each unit, that needs to be proceeded if the result of the verification presents a high risk of non-compliance with laws, rules, and regulations. Such follow-up shall be conducted by the Compliance Unit.

2.7 Information Technology System for supervising compliance with laws, rules, and regulations

PTT, by the Compliance Unit, has a database within the PTT Information Technology System that gathers data on laws, rules, and regulations relevant to the business operation of PTT.

The utilizing of database storage or the Information Technology System by PTT is in various forms considering the suitability, the quantity of data, and the cost-benefit. The utilized

database or Information Technology System shall be strictly, accurately, and completely controlled, such as:

- a) Having the procedure to determine access rights to the database by separating one database so only the concerned person can access the restricted data.
- b) Verifying the accuracy, improvement, update, and change of any data in the database and constantly perform data backup.

2.8 Personnel Management regarding the employee's performance evaluation using the corporate laws and regulations compliance as a key performance indicator for the promotion or penalty

Presently, PTT has set forth the PTT Human Resource Management B.E. 2544 and its Amendment and the PTT Provision of Human Resource Management B.E. 2544 and its Amendment, which define the standard of behavior and criteria for consideration of the disciplinary action to PTT employees who violate, avoid, disobedient, or ignore the policies, rules, regulations, corporate orders, and any laws applicable to the operation, including having the appropriate remedy procedure to PTT personnel affected by such misconduct. For example, if any PTT personnel or any operator is under accusation, prosecution, or investigation from the external authorities, PTT shall support and protect such person who is honest, incorruptible, not intend to do any misconduct in accordance with the protection criteria for person working for PTT.

In addition, PTT has set the Non-Compliance as the Key Performance Indicator (KPI) to raise awareness among executives and employees of the significance of strict compliance with laws, rules, and regulations relevant to their operations.

Part 3

Compliance Framework

These 9 clauses of the Compliance Framework have been established for PTT personnel to use as guidelines for their operations. PTT personnel shall have the duty to adhere to, respect, and comply with the Compliance Policy and the guidelines prescribed hereunder. PTT personnel shall also understand the nature of their tasks, whether they are related to or have to comply with any laws, rules, regulations, and resolutions from any regulatory authorities or any other concerning authorities, and shall always realize the potential damages that may occur due to non-compliance or inconsistency with this Compliance Framework.

3.1 Understanding laws, rules, and regulations relevant to the operations

Compliance Policy Clause 1

“PTT personnel means directors, every executive and employee who have duties to recognize, understand and comply with the relevant laws, internal rules and policies, as well as to be aware of potential damage that may occur as a result of failure or noncompliance with such relevant laws or internal rules.”

Compliance Framework

3.1.1 The Board of Directors, executives, all employees, and PTT personnel have the duty to understand the operation processes under their responsibilities whether they have to comply with any laws, rules, regulations, and policies. This can be done in various ways such as:

(a) Study duties and responsibilities according to the Functional Description (FD) or from the Job Description (JD) of each group of work to acknowledge the scope of works and procedure of work in order to consider what laws, rules, and regulations or criteria related to each stage of operation.

(b) Inquire the immediate superiors, senior, or colleagues within the department about how to conduct work consistent with laws, rules, and regulations. After obtaining such information, it should be verified whether the laws, rules, and regulations are subject to any changes and whether they are up to date so that one can correctly and appropriately comply.

- 3.1.2 Superiors should always be a good role model, express their strengths and clarity, and support their subordinates in conducting their work consistently with the related laws, rules, and regulations (High-Level Commitment), such as establishing a clear step of work that is aligned with laws, rules, regulations, and any policies and announcement enforced, establishing internal policies within the department, promoting the Culture of Compliance, and constantly emphasizing subordinates to comply with the related laws, rules, and regulations.
- 3.1.3 Operators, who have to engage in any transactions with Third Party, Vendor, Agent, Intermediary, Broker, Joint venture, Consultant, or PTT Group Companies (Subsidiaries and Affiliates) within the country or abroad, shall inform those parties to acknowledge that they need to comply with the PTT Compliance Policy.
- 3.1.4 In addition to laws, rules, and regulations relevant to the operation, PTT personnel shall comply with PTT policies. PTT personnel shall acknowledge and clearly understand policies applicable to their operation and know the policy owner. In case of doubt, PTT personnel shall escalate the matter to the policy owner.
- 3.1.5 Superiors must supervise and encourage their subordinates to acknowledge and strictly comply with policies to protect against misconduct or prevent severe damages that affect the operation or PTT.
- 3.1.6 PTT holds that complying with policies is essential. PTT personnel shall strictly comply with those policies. Any violation or intentional non-compliance will be held as misconduct, and the wrongdoer may be subject to disciplinary action per PTT Human Resource Management and a civil or criminal charge if PTT has been damaged by such misconduct.

3.2 Compliance with laws, rules, and regulations relevant to PTT

Compliance Policy Clause 2

"In performing their duties, PTT personnel shall strictly comply with the relevant laws, rules, and policies."

Compliance Framework

- 3.2.1 PTT personnel shall comply with laws, rules, and regulations applied to his/her operation and shall constantly consider if there is any amendment or change of such relevant laws, rules, and regulations in order to avoid any inconsistency with such laws, rules, and regulations.
- 3.2.2 PTT personnel shall study and strictly comply with regulations, rules, approval authority order, and criteria regarding authorization and scope of authority to perform duty and shall not engage in any activities without authority. In the event of willful or gross negligence violation or exceeding of one's authority in which the loss or damages to PTT are foreseeable, PTT may impose disciplinary action on such person following PTT regulation concerning the operation and file the lawsuit with the court.
- 3.2.3 Any contractual commitment or any agreement of PTT shall be in accordance with the process, procedures, format, and criteria instructed by any laws, rules, and regulations and shall not be contrary to laws, public order, or good morals. The executives and any employees in the units who need to comply with laws, rules, and regulations stipulating the specific procedures and processes shall set the checklist or guideline for their operations and communicate to operators for understanding and precise and strict compliance.
- 3.2.4 PTT personnel shall strictly comply with laws, rules, and regulations and respect the culture and tradition of the country where they are posted for operation.

3.2.5 In the event any PTT personnel detects any violation of laws, rules, and corporate regulations, such PTT personnel shall notify the Compliance Department, the specific law and regulatory governance units (2nd line), the GRC Agent, or other channels prescribed by PTT such as the PTT website about the violator or the behavior. Any issue related to an application or interpretation of laws, rules, and regulations can be posted to the Office of General Counsel for advisory.

3.2.6 The superiors of each unit shall oversee employees or any operators under their supervision to strictly comply with relevant laws, rules, and regulations. They shall be the advisors and can primarily provide any advice to their subordinates.

3.3 Compliance with Competitive and Antitrust Laws

Compliance Policy Clause 3

“PTT is committed to complying with domestic laws or rules and those issued internationally, in every region or country of its business operation, on the competition and antitrust practices and to refraining from undertaking any act that indicates any antitrust practice or unfair trade competition.”

Compliance Framework

3.3.1 PTT personnel shall comply with laws, rules, and regulations issued internally and internationally and with the international standards related to trade competition and antitrust.

3.3.2 PTT personnel shall refrain from any behaviors that constitute unlawful acts related to the anti-competition laws, such as:

- a) Abuse of Dominant Position in the Market, such as unfair price determinant for selling or buying of goods or services, compulsory tied selling of product, unreasonable decrease or limit on the sale

and purchase or the production which destroys or damages goods to reduce the quantity to be lower than the market demand.

- b) Merger & Acquisition and Amalgamation that cause market distortion. Any Merger & Acquisition and Amalgamation must be subject to relevant competition laws and must conform with any rules regarding the application for permission to operate a business from any relevant authorities following the competition law of each country.
- c) Restrictive Agreement or Arrangement to decrease or restrict the competition in market for any specific goods, for example; the market dominance or cooperation for bid rigging (collusion).
- d) Unfair Trade Practices such as the use of bargaining power to dominate the trade condition in order to limit the trading opportunity or option of trade partners.
- e) An unreasonable agreement with foreign firms that impacts the economy and consumers, which is an agreement intended to have the consumers in the country buy its goods or services and limit their opportunity to buy goods or services from the foreign business operators.

3.3.3 PTT personnel shall not disclose or exchange the market data or business data of PTT that is considered confidential to/with competitors or business operators of the same kind as prohibited by law. These data include, for example, production cost, sales volume, order volume, marketing plan, and customers' confidential information. PTT personnel shall also be caution in managing such data according to their duties and responsibilities in each position.

3.3.4 PTT personnel shall not exchange sensitive information with competitors or trading partners that may affect market competition, especially in the business group/trading partners' meetings, seminars, banquets, associations, or e-mails.

The foregoing does not apply to the activity between the PTT group with a policy relationship or a power to order as defined by the competition law.

Sensitive information includes, for example, current product price, future product price, elements of discounted price, promotion, profit margins, investment plan, incomes, clients' information (name, order, market data), production capability, product quantity in stock, marketing plan, strategy plan, and research plan.

- 3.3.5 In the event of uncertainty, whether there is any risk related to competition laws, PTT personnel shall refrain from providing any opinion and shall consult with the Compliance Unit. In case of competition law of other countries, PTT personnel shall request to leave the meeting room immediately and have a record of such leaving.

3.4 Compliance with Anti-Fraud and Corruption and Bribery Law

Compliance Policy Clause 4

"PTT is committed to complying with domestic laws or rules and those issued internationally, in every region or country of its business operation, on the prevention and suppression of Anti-Fraud and Corruption and Bribery. In this regard, PTT takes a stance in business operation by adhering to corporate governance principles and adopting a zero-tolerance policy against corruption."

Definition

Fraud¹ means any actions to seek undue and unlawful benefit for oneself or others. It includes, for example, the following actions:

- a) Asset Misappropriation means possessing another person's property or that of which the other person is a co-owner and dishonestly misappropriating such property to oneself or a third party.

¹ Refer to the definition according to PTT's anti-corruption policy.

- b) Embezzlement means deceiving others by making false statements or dishonestly concealing factual statements that should be disclosed, and such deception causes the acquisition of property or causes the person who has been deceived or a third party to make, withdraw, or destroy any certificate of ownership.
- c) Financial Statement Fraud means a manipulation of accounting numbers by taking advantage of loopholes in accounting principles and the various alternatives to measurement and disclosure of accounting information in order to manipulate the information in the financial statements for unjust purposes.
- d) Corruption means asking for, receiving, or agreeing to receive, giving, asking for, or offering/promising/promising to give a property or any other benefits to government officials, government agencies, officials of private agencies, and private agencies so that those people or agencies use the existing powers to act, not act, hasten, or delay any action that is unlawful under the authority to gain illegitimate benefits whether for oneself or others or to maintain business or any other benefits that are inappropriate in business, except in cases where laws, customs, and traditions allow it to be done.

Giving and receiving bribes" (Bribery) are as follows:

- a) Giving, offering/promising/ promising to give
- b) Receiving, requesting for monies, properties, or other benefits which is inappropriate for government/private officials or other related persons either directly or indirectly for such persons to exercise or omit to exercise their duties for the acquisition or secure of any business or other benefits that are inappropriate in business, except any laws, rules, regulations, announcements, customs, local traditions or trade customs allow to do so.

Compliance Framework

- 3.4.1 PTT personnel shall strictly comply with the policy, good corporate governance handbook, ethical standards, and ethics in conducting PTT's business.

- 3.4.2 PTT personnel shall comply with laws, rules, and regulations regarding preventing and opposing fraud and corruption and giving or receiving bribery that are strictly prescribed by relevant external authorities both in Thailand and abroad.
- 3.4.3 PTT personnel must perform their duties with the interests of the nation and PTT above their interests. PTT personnel shall avoid any actions that affect decision-making, discrimination, or actions that have a conflict of interest. If PTT personnel find themselves having a conflict of interest, they shall notify their immediate superiors and report in the conflict of interest reporting system, along with refraining from working so that the superiors consider assigning another person to act on their behalf.
- 3.4.4 The superior shall always be a good role model (High-Level Commitment) in operating with transparency, compliance with the laws, rules, regulations, procedures, and procedures that are correctly defined and explainable, and be prepared to receive inspections from internal and external authorities.
- 3.4.5 The unit shall assess the risk of fraud and corruption in the work process. If risks are found in relation to fraud and corruption or giving or receiving bribes to/from government or private officials, for example, there is a process for applying for or renewing a business license, a trade registration process, submitting bids for different projects for PTT's business operations, the units shall set the risk control measures and operational processes that are strict, clear, and can be verified and explained.
- 3.4.6 PTT personnel who must conduct transactions with agents, intermediaries, or brokers must proceed with caution and must strictly comply with PTT Public Company Limited's orders regarding business contact guidelines and procurement of goods and services, including the procurement of supplies through agents, intermediaries, or brokers.² PTT personnel shall refuse to perform any transactions that are likely to cause fraud and corruption by agents, intermediaries, or brokers, such as receiving advice to pay or receive money that

² PTT Public Company Limited's orders regarding business contact guidelines and procurement of goods and services, including the procurement of supplies through agents, intermediaries, or brokers dated 24 April 2017

seems inappropriate or unusual or making facilitation payments to government officials.

- 3.4.7 The unit that must operate business with third parties such as vendors, customers, business partners, or candidates/employees of PTT, must verify and ensure transparency. These third parties must not meet the criteria for prohibition (blacklist) and must comply with the transparency criteria specified in PTT's regulations on the criteria and verification of qualifications for those engaging in transactions with PTT.
- 3.4.8 PTT personnel shall always be aware that corruption or giving or receiving a bribe is a disciplinary offense and a legal violation, which will result in the termination of employment. PTT personnel will also be prosecuted by external audit agencies, such as the Anti-Corruption Commission (NACC), which is punishable by civil and criminal law and is considered a serious violation of PTT's business ethics. PTT will not protect or provide any protection to PTT personnel who are dishonest and corrupt. PTT will also consider taking the highest disciplinary action or criminal or civil action against PTT executives, employees, or PTT personnel who commit or are involved in an offense.

3.5 Respecting and compliance with the principle of human right laws

Compliance Policy Clause 5

"PTT respects human rights and complies with the principles of human rights law with an emphasis on respecting human dignity, rights, liberty, and equality of every person which are confirmed and protected under the laws of Thailand as well as under international laws."

Compliance Framework

- 3.5.1 In the performance of their duties, PTT personnel shall act to each other based on the principles of human rights as outlined in the Universal Declaration of Human Rights (UDHR) and adhere to the principle of respecting human dignity, having the right and freedom equally, and not discriminating according to the difference

of, for example, national, race, age, gender, sexual orientation, religious, color, or language. PTT personnel shall also not use any child labor, women labor, elder labor, or other labor which Thai law and the international convention on labor, ratified by Thailand specify as a violation of human rights and shall not deprive any fundamental right that a person supposes to have according to law.

3.5.2 PTT Personnel shall conduct their work and operate business under the principle of respecting human rights and shall not involve or do business with any counterparty, vendor, contractor in Value Chain that appears to have violated human rights by any means. PTT Personnel shall operate business and conduct their work by respecting and adhering to the 3 main principles of UN Guiding Principle on Business and Human Rights³ as follows;

- 1) Human Rights Protection (Protect) – the state has a duty to protect against violation of human rights related to business operations. For example, there should be policies or announcements regarding business operations that respect human rights.
- 2) Respecting Human Rights (Respect) - any persons or entities operating businesses must be responsible for respecting human rights. For example, there should be a human rights impact assessment that may arise from business operations both prior to the operations and during the operations regularly.
- 3) Remedy (Remedy) – any persons or entities operating businesses shall remedy, revive, or compensate if there is any violation of human rights from business operations.

3.5.3 PTT units shall verify, assess, and manage the human rights risk and impact (Human Rights Due Diligence) that occur or may occur from PTT business operations and through the value chain according to the UN Guiding Principle on Business and Human Rights or according to any international guidelines stipulated

³ UN Guiding Principle on Business and Human Rights or UNGP

by the international organization. PTT shall appropriately have measures for controlling, preventing, and reducing impacts and risks according to specified criteria in order to monitor, prevent, as well as correct and remedy (Remediation and Remedy) issues related to violations of human rights in a timely manner. The assessment result must show what occurs or is likely to occur due to PTT's business operation or transaction (Assessment of Actual and Potential Human Rights Impacts of Company Activities and Relationships) and the affected person or person expected to be affected, such as employees, communities, trading partners, contractors, raw material suppliers, investors, etc.

- 3.5.4 In deciding or considering investing/operating a business, or conducting transactions of any form with external stakeholders, PTT business units must verify, assess, and manage human rights impacts (Human Rights Due Diligence) comprehensively according to the framework or guidelines specified in Section 3.5.3
- 3.5.5 PTT must have a process for receiving complaints and providing remedies, including building confidence for those affected to have access to the complaint process, with emphasis on protecting complainants by protecting and keeping the complainant's information confidential.
- 3.5.6 Hiring, appointments, evaluations, investigations, disciplinary investigations, development, and operations of PTT's personnel management department must consider performance results, knowledge, ability, and suitability and use them to guide when considering promotions or salary adjustments. No discrimination shall be made due to differences in race, ethnicity, age, gender, sexual orientation, religion, color, language, etc. In addition, there should always be transparent steps, processes, and explanations that can be verified.
- 3.5.7 PTT shall not violate the personal rights of PTT personnel, such as disclosing personal information or that of other people's family members without permission

in a manner that will cause damage to said person. The preceding does not apply when providing information to internal or external agencies with the authority to order disclosure to the extent required by laws, rules, and regulations.

3.6 Compliance with laws preventing violation of and protecting intellectual property rights

Compliance Policy Clause 6

“PTT is committed to protecting, preserving, and keeping any intellectual property of PTT, e.g., copyrights, trademarks, patents, petty patents, know-how, and trade secrets, from any infringement or unauthorized use. PTT shall also respect the intellectual property rights of other parties and shall not engage in any infringement or unauthorized use of a third party’s intellectual property.”

Compliance Framework

- 3.6.1 PTT Personnel have the duty to comply with any laws, rules, and regulations protecting all types of intellectual properties such as copyright, patent, trademark, and trade secret under the laws, rules, and regulations of Thailand or of other countries, including any international agreements such as the WTO’s Agreement on Trade-Related Aspects of Intellectual Property Rights: TRIPS. In addition, PTT Personnel shall comply with the agreements or contracts made between PTT Group Companies regarding the protection of PTT Group Companies’ intellectual properties.
- 3.6.2 PTT Personnel shall not use or disclose PTT’s intellectual property and trade secrets⁴ to the public under any circumstances without explicit permission from PTT. Additionally, PTT personnel shall help monitor and prevent any infringement of PTT’s intellectual property. PTT personnel shall also be cautious when using

⁴ Trade secrets refer to production cost information, production formulas, product pricing formulas, technical methods, production processes, business management information, customer lists, advertising strategies for products and services, etc

others' intellectual property without authorization. If any infringement of PTT's intellectual property and trade secrets is found, PTT personnel shall report it to the responsible intellectual property and trade secrets unit or the Compliance Department.

- 3.6.3 Any invention, design, or production brings about a new innovation or new process done by PTT Personnel by using tools, materials, working hours, and the PTT workplace, and that innovation or process shall be registered for the patent or petty patent of PTT, such PTT personnel shall, during the unregistered period, protect and preserve things that they invent, design, and/or produce to be safe and not disclose or allow other parties to access without permission from PTT.
- 3.6.4 Any contract regarding the intellectual properties of PTT or any hire of work contract shall be made in writing and clearly specify the owner of intellectual properties. In case of an agreement giving the right to use intellectual properties, the scope, the objective, and the period of authorization shall be clearly specified.
- 3.6.5 Transferring of PTT's intellectual property rights to other parties, whether or not to the PTT Group Companies, shall be conducted in the form prescribed by law and done by a PTT-authorized person only.
- 3.6.6 PTT personnel who have terminated their employment shall return to PTT all intellectual property, such as inventions, reports, trade data, production formulas, programs, processes, and innovations, in their possession.

3.7 Compliance with laws regarding prevention and suppression of money laundering and anti-financing support to terrorism

Compliance Policy Clause 7

"PTT is committed to preventing itself from falling into any cycle of money laundering or the financing of terrorism."

Compliance Framework

3.7.1 PTT Personnel shall comply with any laws, rules, and regulations relevant to the prevention and suppression of money laundering and the anti-financing support to terrorism either prescribed by Thai law or international law.

3.7.2 PTT Personnel shall be aware of the significance of overseeing any parties not to use PTT business operations as a channel or as an intermediary to conduct any illegal act regarding money laundering or to financially support terrorism, especially any PTT Personnel who has the duty involved in a financial transaction with customers. The following should be applied for their operation;

- 1) Any transactions with third parties such as vendors, customers, business partners, or candidates/employees of PTT, must verify and ensure transparency. These third parties must not meet the criteria for prohibition (blacklist) and must comply with the transparency criteria specified in PTT's regulations on the criteria and verification of qualifications for those engaging in transactions with PTT.
- 2) PTT Personnel is prohibited from doing any transaction or trading with customers or any third parties of a complex nature or have an unreasonable nature, or proposing trade terms that are too good to the point of being unusual for a business or have reasonable grounds to suspect or conceal their true nature or conceal any acquisition, disposal, transfer, establishment, or acquiring any rights of assets as stipulated in the law of prevention and suppression of money laundering and anti-financing support to terrorism.
- 3) PTT personnel shall establish the database and store documentary evidence, recording and opinions, or documents regarding Know Your Customer, trading partners, or any parties having a business relationship with PTT. PTT Personnel who has the duty to prepare or to occupy any documentary evidence shall keep and secure such documentary evidence by any means in accordance with Compliance Framework Clause 3.8 except such documentary evidence shall be kept for a period otherwise stipulated by law.

- 4) PTT Personnel shall cooperate with any entities relevant to the compliance with measures of prevention and suppression of money laundering and anti-financing support to terrorism as stipulated by Thai law or international law.

3.8 Keeping the confidential information of PTT correctly in accordance with principle of law and business ethics

Compliance Policy Clause 8

“PTT places great importance on keeping confidential information in its possession in strict confidence by adhering to the relevant laws and business ethics and will not disclose or exploit such information which will damage other parties or PTT itself, with the exception where PTT is permitted to do so or PTT has legally entered into an agreement with the owner of such confidential information.”

Compliance Framework

- 3.8.1 PTT Personnel shall be cautious when using PTT information by not disclosing it to unrelated persons or persons who should not know such information, especially to employees, labor contractors, temporary employees, and external entities unauthorized by law to request such information.
- 3.8.2 PTT personnel must be cautious when using and keeping the personal information of others, which is information under their supervision. PTT personnel must not use such personal information beyond the scope of the purposes notified to the owner of personal information. They must not disclose such personal information to unrelated persons or those who do not have legal authority to request or access that information and must strictly comply with personal data protection laws.
- 3.8.3 Superiors are responsible for promoting, supporting, and stimulating subordinates to understand the use of confidential information of PTT or companies in the group,

such as information of customers and business partners, personal information of executives and employees, marketing plans, investment plans, etc. The information must be used when necessary and within the scope and must not violate the owner of the information. The accuracy of information must always be verified before it is used. In particular, permission must be obtained from the owner of the information or the agency that holds the information. In case of doubt, the matter should be escalated to the superiors for clarification before using the information.

- 3.8.4 The agency that owns the information must systematically manage the information for accessing PTT's information. There must be a system in place to prevent those not involved with the information from taking it out without permission. PTT personnel must set up preventive measures and systems in their departments, such as determining or classifying the level of document secrets, storing and setting up passwords to access information specific to departments, etc.
- 3.8.5 PTT personnel shall not use information technology to manage information inaccurately or accidentally disclose information, such as leaving copies of secret documents on the photocopier, leaving portable computers open in public places, and should not allow other people or third parties to access information on their computers carelessly.
- 3.8.6 PTT personnel shall not violate the contract regarding the Non-Disclosure Agreement, such as not disclosing information or contracts that are business secrets with persons other than the contracting party, not disclosing the employer's information to competitors while working with the employer, or after the employment has ceased.
- 3.8.7 PTT personnel shall retain information under their responsibility and possession in the form of documents, electronic data, or any other form for the period required by law or prescribed by PTT policy or PTT guidelines. The information must be

handed over to superiors or related persons when free from their duties, responsibilities, and possessions.

3.9 Respecting and complying with the trade and economic sanctions

Compliance Policy Clause 9

“PTT respects the principle of Trade and Economic Sanctions to the extent applicable to PTT. PTT shall require third-party representatives acting for or on behalf of PTT to also comply with Trade and Economic Sanctions to the extent applicable.”

Compliance Framework

3.9.1 PTT’s processes for screening risks related to trade and economic sanctions

PTT will determine and carry out the process/procedures designed to ensure compliance with trade and economic sanctions applicable to PTT, which include:

3.9.1.1 Management commitment: PTT senior management places importance on reviewing the Compliance Policy and the Sanctions Guidance and providing the Compliance Department with sufficient authority, autonomy, and resources in order to manage risk relating to Trade and Economic sanctions effectively and to promote a “culture of compliance” throughout the organization.

3.9.1.2 Third-party Screening: PTT shall implement a process to conduct due diligence on persons and entities with whom the PTT does business, including customers, trading partners, vendors/service providers, business partners, banks, and other third parties, to ensure that, before engaging in any new business relationship, such persons and entities are not Sanctioned Persons or operated businesses or located in Sanctioned Area. In all cases, PTT shall carry out due diligence on the counterparty to ensure that it is not a Sanctioned Person or owned at least 50% or controlled by a Sanctioned Person, and maintain a record of such screening for a five-year period, subject to any restrictions according to the Personal Data

Protection laws. Further details on due diligence requirements can be found in PTT's Trade and Economic Sanctions Guidance.

3.9.1.3 Contractual provisions: Where possible, PTT shall introduce provisions in contracts with a party that "PTT does not authorize a Sanctioned Person to use PTT's goods or services." and "A party to a contract shall not be a Sanctioned Person or shall not operate a business or locate in a Sanctioned Area, and the supply of goods or services subject to such contracts shall not violate Trade and Economic Sanctions applicable to PTT." Further details or proposed contractual provisions can be found in PTT's Trade and Economic Sanctions Guidance.

3.9.1.4 Risk assessments: PTT shall conduct an assessment of Trade and Economic Sanctions risks to determine whether the policies should be reviewed and/or whether the new procedures are required. PTT's approach to risk assessments may vary, but it should aim to evaluate PTT's potential touchpoints with Sanctioned Persons and Sanctioned Areas.

3.9.1.5 Red flags vigilance: In all transactions, PTT personnel should be vigilant in looking for warning signs that a transaction may need to be reviewed to ensure that it complies with Trade and Economic Sanctions applicable to PTT and PTT's Compliance Policy. Red flag indications include the following:

- a) the customer is a new customer of which PTT has no prior knowledge or has engaged in a transaction;
- b) the customer is qualified as a shell company, has only a company structure, does not have its assets or operating units that are visible, or is difficult to verify;
- c) the customer refuses or is reluctant to provide information about the actual use, customer, or end-user; or
- d) the terms for financing the transaction or the price to be paid seem inconsistent with usual commercial standards.

3.9.1.6 Testing and auditing: PTT shall establish and maintain a comprehensive, independent, and objective testing or audit function designed to identify and

mitigate potential weaknesses and deficiencies in PTT's Trade and Economic Sanctions screening.

3.9.1.7 Training: PTT will provide training on this Compliance Policy and the Trade and Economic Sanctions Guidance to relevant PTT personnel, where necessary and appropriate. The Compliance Department may, as appropriate, require certain PTT personnel receive additional, specialized training due to the nature of their duties, roles, and responsibilities.

3.9.2 Recordkeeping

Recordkeeping is an important part of PTT's compliance with applicable Trade and Economic Sanctions. Records of communications with the Compliance Department should be maintained for a five-year period unless PTT's policy on document-keeping stipulates otherwise.

Any questions regarding document-keeping can be escalated to the Compliance Department for consultation.

3.9.3 Reporting of Violation

If any PTT personnel or Third-Party Representative knows, receives information, or suspects that activities may have taken place in violation of Trade and Economic Sanctions applicable to PTT (including any request from a third party to engage in such activities), such PTT personnel or Third-Party Representative is required to report such activities to the Vice President, Compliance Department (compliance@pttplc.com).

3.9.4 Risks of Non-Compliance

Failure to comply with Trade and Economic Sanctions applicable to PTT could result in serious consequences, including criminal and civil liability, for PTT, PTT personnel, Third-Party Representatives, and other individuals involved in violations. Many sanctions laws are "strict liability," meaning that any direct or indirect contacts/dealings with, involving, or performing for the benefit of a Sanctioned Person or a person operating a business or located in a Sanctioned Area could result in liability for PTT and/or individual concerned, regardless of intention, willfulness, or even where such connections were unknown by relevant individual at the time of the transaction or other contact/dealing.

Trade and Economic Sanctions are aggressively enforced, particularly by U.S., E.U., and U.K. authorities, and violations could result in substantial risks, including risks of being subject to criminal prosecution, monetary fines, loss of PTT's export trading privileges, and other penalties. Such penalties could seriously damage image, finances, reputation, and business relationships.

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Compliance Department