



Introduction

PTT Public Company Limited (“PTT”)’s mission is to conduct the business efficiently with good corporate governance through being a good corporate citizen by protecting the environment and improving the quality of life of the communities to ensure long-term sustainability of growth for the company. For that reason, PTT is committed to ensuring that the working conditions in PTT’s supply chain are safe, people are treated equally with respect and dignity, and the operating processes are environmentally responsible.

In accordance with international standards, the "PTT Supplier Sustainable Code of Conduct" has been established to advance and promote social and environmental responsibility. As a result, PTT has a Sustainable Suppliers Standard that requires its suppliers should have a sustainable procurement policy in place for their own suppliers to operate in complete accordance with the domestic laws and regulations under which they are subject while upholding PTT policies in line with all applicable laws, business ethics, human rights, health and safety, and the environment, as indicated in each subsection of this code.

1. Business Integrity

1.1 Business Ethics and Transparency

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- **Fair Operating Practices**, by maintaining the highest standards of integrity in all business interactions. Corruption, extortion, and embezzlement are strictly prohibited which may result in contract termination and further legal action.
- **Anti-corruption**, by not tolerating, permitting, or engaging in bribery, corruption, or unethical practices whether in dealings with public officials or individuals in the private sector. Suppliers and contractors are prohibited from providing any forms of financial and non-financial payments to government officials.
- **Conflict of Interest**, by disclosing any suspected or actual conflicts of interest to PTT with relevant evidence. If PTT approves a case as an actual conflict of interest, the approval decision will be documented.
- **Intellectual Property**, by not sharing PTT’s intellectual property, confidential information or any other knowledge acquired with respect to PTT’s business (including information developed by suppliers/contractors and information relating to products, customers, suppliers, pricing, costs, know-how, strategies, programs, processes, and practices).



- **Confidentiality and Data Protection**, by executing a confidentiality agreement with PTT prior to the exchange of any confidential information. Suppliers and contractors are expected to maintain appropriate information security policies and procedures to secure access to PTT information. Any cases of unauthorized disclosure of confidential information, whether intentional or accidental, must be immediately reported to PTT.
- **Financial Integrity**, by maintaining accurate and transparent financial records in accordance with standard accounting practices. Financial records must be readily available for inspection during announced and unannounced audits by PTT or authorized third-party representatives.

PTT expects its suppliers and contractors to refer to the Corporate Governance Ethical Standards and Code of Business Ethics for further details and supporting references.

1.2 Quality Standards

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- **Delivering products and services** that meet agreed requirements with PTT and all applicable requirements as defined by regulatory agencies.
- **Full responsibility for the quality** of the products or services provided to PTT.
- **Full responsibility for the quality** of products and services provided by their **suppliers, subcontractors, service providers, and raw materials.**
- **Collaborating with PTT** on the continuous improvement of products and services quality for the mutual benefit of the company and suppliers/ contractors.

1.3 Legal Compliance

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- **Complying with all applicable national and/or local laws and regulations**, including but not limited to labor, immigration, occupational health and safety and the environment.
- **Maintaining all the necessary licenses and permits** to operate in compliance with international, national and local laws and regulations applicable to its business operations.
- **Notifying PTT** upon receiving notification of any regulatory inspection or legal action relating to suppliers or contractors' business activities with PTT.



1.4 Business Continuity

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- Implementing a **business continuity plan** that is maintained and tested to ensure the supply of products and services at all times, including situations of unplanned additional demand and in the event of major disruptions to operations.
- **Maintaining reserves of PTT products and services** to fulfill urgent purchasing orders.
- Ensuring speed of assistance to PTT in cases of production stalls or interruptions.

2. Corporate Social Responsibility

2.1 Human Rights

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- **Freedom of Labour**, by not engaging or employing people, under any circumstances, against their own free will.
- **Freedom of Association**, which means respecting employees' legal right to form associations and not interfering with their ability to do so, as well as joining or not joining associations, unions, and any type of employee federation, including those that engage in collective bargaining or act as employees' representatives (such as employee unions) when addressing issues like wages, working conditions, and other issues
- **Prevention of Child Labour**, by not employing children below the legal minimum age requirement of any country. If the local law does not establish a minimum age, employees must be at least fifteen (15) years of age. Employees must be at least eighteen (18) years of age to perform night work or hazardous work, except where permitted by local laws
- **Wages and Benefits**, by complying with all applicable laws related to employee compensation, including those related to minimum wage, overtime hours and legally mandated benefits.
- **Working Hours**, by complying with local laws or agreements regarding working hours, overtime hours, and work during holidays.
- **Non-Discrimination**, by respecting diversity in the workplace and not engaging in any form of discrimination based on sexual orientation, race, color, religion, age, marital status, pregnancy, political affiliation, or disability in hiring and employment practices.
- **Layoff** practices that are managed in accordance with labour laws. Suppliers and contractors must not unfairly terminate any employment contract without valid reasons, which must legally be related to an employee's work performance.



- **Humane Treatment**, by respecting workers' rights and ensuring no harsh and inhumane treatment, including any form of mental or physical coercion, or verbal abuse of workers.
- **Foreign or Migrant Workers**, where if foreign or migrant workers are engaged, they are to be employed in full compliance with the labour and immigration laws of the host country. Prior to hiring, the basic terms of employment must be provided to workers in their native language or a language in which they understand. Passports and other forms of personal identification must remain in the worker's possession at all times and are never to be withheld by suppliers, facilities or any third party.
- Establishing **grievance mechanisms** that provide a means of anonymous grievance reporting and appropriate follow-up measures while protecting the confidentiality of the complainant.
- **Promoting positive labour relations** between employers and employees from the beginning to end of employment, including the process of contract signing, work assignments, employee management, probation period, opportunities for development, a good work environment, talent attraction and retention, pay raises, welfare and benefits, transfers, and end of employment.

2.2 Social Responsibility

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- **Managing impacts on health, safety, and community security** throughout the entire project cycle, from project planning to execution, production, logistics, decommission and demolition, and decommissioning.
- **Respecting** surrounding communities and contributing positive benefits to societies in which they operate.
- **Participating** where possible, in voluntary, industrial, governmental or community-based corporate responsibility initiatives.

3. Safety

3.1 Occupational Health and Safety

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- **Managing production and service operations that adhere to relevant safety standards**, to ensure their own safety and that of others, while also complying with relevant laws and regulations on occupational health, safety, and the environment.
- **Ensuring that all operational facilities and working environment** are safe, hygienic, and regularly maintained. Personal protective equipment is to be provided appropriate to the nature of work or



hazard. Procedures and systems are in place to manage, monitor and report occupational injuries and illnesses, including near-miss incidents and substandard acts/conditions in written form.

- Implementing a **monitoring process** to ensure that work practices comply with relevant safety laws and policies of suppliers and contractors or other applicable regulations (both internally and externally to the organization), including undergoing regular audits, and the monitoring and reporting of activities and safety performance effectiveness.
- **Communicating and creating awareness** of risks, control measures, regulations and safety standards among their employees and subcontractors. Information should be provided on potential hazards of operating equipment, products and services prior to delivery and in all instances of changes.

These expectations are general in application, and should be adopted by suppliers and contractors in conjunction with other applicable SSHE standards issued by PTT.

3.2 Security and Emergency Preparedness

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- Observing strict requirements for the selection of security forces.
- **Identifying and assessing emergency situations to prepare plans and response procedures that minimize the impacts of emergency situations**, which encompass: preparation, responses, post-emergency recovery, equipment, communication and evacuation procedures, worker training and drills, etc.
- **Notifying** immediately to PTT, where situations may become liable to PTT (such as oil spills and leakages, non-compliance with operating permit, occupational injuries, fires, grievances, loss of assets, etc.), while conducting business with PTT or operating in PTT boundaries.

PTT expects its suppliers and contractors to apply these safety standards and emergency preparedness procedures in conjunction with other applicable Security Safety and Health standards issued by PTT to prevent potential impacts from business operations to employees, suppliers or contractors, society and the environment.



4. Environmental Management

4.1 Pollution Prevention and Resource Reduction

Expectation

As a minimum, PTT expects our suppliers and contractors to maintain a strong commitment to:

- **Complying with environmental laws, regulations and standards;** obtaining and maintaining permits, conducting regular audits, sampling and monitoring of relevant parameters are within their applicable legal limits such as air emissions, noise, wastewater discharge, soil and groundwater quality, ecosystem preservation
- **Establishing protection standards and reducing environmental impacts** from production, services and logistics throughout the entire operational cycle, by adhering to pollution prevention principles that include minimizing generation of waste, waste water, air emission, including efficient resource use.
- **Implementing monitoring and reporting of environmental performance,** such as greenhouse gas accounting, raw material and energy consumption, waste generation, waste water discharges, and air emissions.
- **Reducing climate change impacts** from greenhouse gases emissions.
- **Preventing accidental releases** of hazardous materials into the environment and creating adverse impacts on surrounding communities.
- **Eliminating and reducing the use** of restricted, toxic and hazardous constituents/substances in products and services, such as:
 - Chlorine, bromide, iodine (bleaching and dyeing)
 - Heavy metal dyes (chrome, copper, zinc and nickel)
 - PVC-based paints
 - Volatile organic solvent-based adhesives
 - Phenobcarb derivatives
 - Sulfur Hexafluoride (SF6)
 - Chrome compounds
 - Azo dyes
 - Formaldehyde
 - Sulphur dye
 - Phencyclidine (PCP)
- **Promoting greater environmental responsibility** and collaborating with PTT on the development of PTT Group's green products and services, and conducting business with environmental or social benefits to ensure the long-term sustainability of business of the company.



PTT expects its suppliers and contractors to apply these environmental standards, including climate change, product safety standards, biodiversity position in conjunction with other applicable Environment standards issued by PTT to prevent potential impacts from business operations to the environment.

Officially signed and stamped by supplier

Company name: _____

Address: _____

Name-Surname: _____

Position: _____

Signature: _____

Date: _____



PTT Biodiversity Statement

Biological diversity or biodiversity – according to the International Union for Conservation of Nature (IUCN) – is a term used to describe the “variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems, and the ecological complexes of which they are part; this includes diversity within species, between species, and of ecosystems.”

Ecosystem services include the value and benefits that biodiversity provides to humans through supporting ecological processes; provisioning food and energy; regulating the environment through carbon and water cycles and providing cultural services for our overall well-being.

The safety and well-being of people and the environment is one of the PTT’s core values. PTT understands that our business has an impact on the environment, including biodiversity and ecosystem services. PTT also understands that we rely upon biodiversity and ecosystem services to support our business from our upstream energy business to our downstream distribution and retail business. PTT is focusing on protecting and managing biodiversity to support PTT’s long term business success through our value chain.

PTT is committed to integrate biodiversity considerations into our business decision process in order to avoid and minimize risks and impacts on sensitive biological values. Biodiversity is a part of PTT’s due diligence in supporting sustainable development in economic, environmental, and social aspects.

Our Values

PTT’s corporate commitment to protect biodiversity values is driven at the highest level of our corporate policy, the QSHE policy.

Fundamentally, our biodiversity policy aims to reduce our environmental footprint by:

- Designing and managing our facilities to avoid and mitigate against adverse impacts on biodiversity values;
- Operating our facilities responsibly, especially in areas with sensitive biodiversity values; and
- Determining to ‘No Net Deforestation’; the future reforestation to compensate, where possible, the current forest loss or future implementation.

The statement covers key stakeholders including own operations from tier-1 suppliers and non-tier 1 suppliers.

Our Performance

PTT's performance will be guided by our efforts to protect and manage biodiversity. This means that we will:

- Integrate biodiversity assessment and management through our QSHE policy;
- Manage biodiversity values by operating in or near areas with sensitive biodiversity values in compliance with required regulatory standards;
- Apply operating practices that avoid and mitigate against biodiversity loss;
- Achieve a no-net-loss of biodiversity values; and
- Avoid to explore/mine/drill in World Heritage areas and IUCN Category I-IV protected areas.

Our Actions

Our actions will include:

- Assessing the potential risk and impact of our activities on biodiversity values;
- Conducting our operations responsibly in all areas, including environments with sensitive biodiversity values;
- Considering actions to avoid and mitigate against adverse impacts to biodiversity values;
- Applying the "mitigation hierarchy" in a step by step process by avoiding impacts on high biodiversity values; mitigating any impacts by improving biodiversity values and considering offsetting any residual losses;
- Seeking ways to make positive contributions to biodiversity conservation;
- Integrating the identification, evaluation, management and monitoring of biodiversity values into our Due Diligence; Environmental Impact Assessment; and Risk Management processes;
- Engaging communities and key stakeholders to enhance biodiversity outcomes through consultation, constructive relationships, and partnerships; and
- Communicating our biodiversity-related activities to local communities, employees and the public.

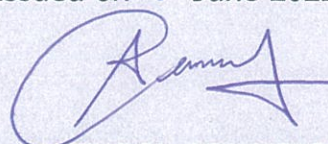
Measuring performance

We will measure our performance on managing biodiversity and ecosystem services by:

- Measuring the risk that our operations pose to biodiversity values;
- Regularly monitoring biodiversity values where we are required to do so; and
- Regularly auditing our performance against our values and actions to ensure that we operate effectively.

PTT is committed to protect and manage biodiversity in accordance with this PTT Biodiversity Statement.

Issued on 6 June 2022



MR. AUTTAPOL RERKPIBOON
President & Chief Executive Officer