

NOMINATION AND REMUNERATION COMMITTEE REPORT



Gen. Jiradej Mokkhasmit
Chairman of the Nomination and Remuneration Committee
Thai Oil Public Company Limited

To the Shareholders

The Board of Directors (Board) appointed the Nomination and Remuneration Committee (NRC) following the corporate governance guidelines for listed companies. The Board also approved the NRC Charter utilized as the framework of its duties and the clear definition for its member composition and qualifications. The NRC consists of at least three directors; most of whom must be independent and none of whom is the Chairman of the Board or the executive director. Moreover, the NRC members must be knowledgeable and experienced, must understand the qualifications, duties, and responsibilities, and must devote adequate time to the fulfillment of the NRC duties.

Observing its Charter, the NRC deliberated recruitment criteria, approaches, and processes including defined the Board-Committees suitable compensation for the Board to consider before proposing in the shareholders

meetings for approval each year. The CEO/President's compensation, also deliberated by the NRC, was proposed for the Board approval.

The Nomination and Remuneration Committee consists of (as of December 31, 2015)

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| 1. Gen. Jiradej Mokkhasmit | Chairman of the Nomination and Remuneration Committee (Independent Director) |
| 2. Mr. Thaworn Phanichaphan | Member of the Nomination and Remuneration Committee (Independent Director) |
| 3. Mr. Nuttachat Charuchinda | Member of the Nomination and Remuneration Committee |
| 4. Adjunct Professor Dr. Thosaporn Sirisumphand | Member of the Nomination and Remuneration Committee (Independent Director) |

Meetings and Performance in 2015

The NRC performed all the duties stated in the Charter; the committee met six times with 100% attendance, as shown on page 106.

The summary of the meetings are as followed:

1. Endorsed the draft amendment to its own Charter before seeking approval from the Board so that the committee could efficiently perform its duties under

- a clear scope of responsibility, covering all key tasks under the principles of good corporate governance.
2. Recruited and shortlisted qualified persons for the Board consideration before tabling their names to the shareholders meeting for approval to replace directors who completed their terms in 2015, with due regards for experience, technical competencies, and skills. The composition of the NRC must include directors whose qualifications are diverse and match the corporate skills matrix, without gender or nationality discrimination.
 3. Based the Board compensation for the year 2015 on criteria suiting their responsibilities and associated the compensation with the Company's overall performance and its dividend payout ratio as well as compared with peer listed companies.
 4. Recruited and shortlisted qualified persons for the Board approval of the appointment in replace of directors who resigned before completing their terms; also, recruited and shortlisted directors for seats in the Board-Committees.
 5. Encouraged the Company to allow minor shareholders, at least three months ahead of the 2016 Annual General Meeting of Shareholders from October 1 to December 31, 2015, to propose agenda items and nominate directors for appointment, through the Company's website.
- January 11, 2016
On behalf of the Nomination and Remuneration Committee



(Gen. Jiradej Mokkahasmit)

Chairman of the Nomination and Remuneration Committee
Thai Oil Public Company Limited