

NOMINATION AND REMUNERATION COMMITTEE REPORT



Adjunct Professor Dr. Thosaporn Sirisumphand

Chairman of the Nomination
and Remuneration Committee

To the Shareholders

The Nomination and Remuneration Committee consists of at least three Directors, most of whom are independent and none of whom is the Chairman of the Board or an Executive Director. The current Committee is chaired by Adjunct Professor Dr. Thosaporn Sirisumphand (Independent Director), with Ms. Chularat Suteethorn (Independent Director) and Mr. Sarun Rungkasiri (Director) serving as members, with the Assistant Executive Vice President–Corporate Governance as the Committee’s secretary. The Committee is in charge of nominating persons whose qualifications meet the relevant criteria and processes for the appointment of Directors, Chief Executive Officer and President (CEO/President), and Board-Committee members. The Committee is also responsible for reviewing the forms and criteria for Directors’ compensation for the Board of Directors’ (the Board’s) endorsement and

the Annual General Meeting of Shareholders’ (AGM) approval respectively.

Meeting six times this year, the Committee completed all its duties stated in the Charter, each time with full attendance of all members who served at different periods. The meeting attendance details appear on page 110.

The Committee performance is summarized as followed:

1. Assessed the CEO/President’s performance as well as consider the merits raised reflecting his actual performance against the criteria for the Board’s approval;
2. Revised the Nomination and Remuneration Committee’s Charter, with the additional details about the roles and responsibilities on nomination, the segregation of the Board’s qualifications from those of the CEO/President for better clarity. Also, details were added about the processes and criteria for nomination, which must be in line with the decided structure and qualifications under good Corporate Governance. The revised Charter was approved by the Board on May 4;
3. Nominated experts for Directors’ appointment in accordance with the processes and criteria and tabled them for the Board’s or the shareholders’ approval as indicated by law. To this end, the Directors’ Pool of the State Enterprise Policy Office and Thai Institute of Directors’ registered professional Directors (IOD Chartered Director) were consulted

together with the overall and individual composition and qualifications of the Board to suit with the Company's size, business type, and complexity. The qualifications included education, knowledge, expertise, skills, experience, specific competency related to Thairoil's businesses, and independence as defined by corporate criteria;

4. Arranged the orientation for and distributed presentation slides of helpful documents or manuals to new Directors;
5. Nominated and selected members for Board-Committees, namely the Nomination and Remuneration Committee, the Audit Committee, the Corporate Governance Committee, and the Risk Management Committee, and tabled lists for the Board's approval of the appointment to fill the vacancies upon Directors' resignation or term completion;
6. Encouraged minor shareholders to propose agenda items and nominate Directors for election at least three months ahead of the 2017 AGM, from September 30 to December 31, 2016;
7. Reviewed the Board's compensation for 2016 in line with their responsibilities and Thairoil's overall performance. The compensation rates and criteria were to remain the same as proposed in the previous year for the Board's endorsement and the AGM's approval respectively;
8. Revised the composition and the overall qualifications of the Board (Skill Matrix) for better suitability and clarity;
9. Reviewed the Committee's own performance which was later reported to the Board.

January 17, 2017

On behalf of the Nomination and
Remuneration Committee



(Adjunct Professor Dr. Thosaporn Sirisumphand)
Chairman of the Nomination and
Remuneration Committee