

04 NOMINATION AND REMUNERATION COMMITTEE REPORT



To the Shareholders

To align with corporate governance guidelines for listed companies, the Board of Directors has appointed the Nomination and Remuneration Committee (NRC) and approved the NRC Charter as guidelines for their duties and responsibilities, including composition and qualifications of its members. The committee consists of at least 3 directors, most of whom must be independent and none of whom is to be either the Chairman of the Board or the Chief Executive Officer (CEO). Members of the committee must be knowledgeable and experienced, and must understand the qualifications, duties, and responsibilities, apart from being able to devote adequate time to the fulfillment of the committee's duties.

According to its charter, the committee deliberates recruitment criteria, approaches, and processes together with suitable compensation for the Board and Board-Committees for the consideration of the Board before tabling them to the shareholders' meeting for approval every year. Compensation of the CEO, also deliberated by this committee, is proposed for approval by the Board.

The present Nomination and Remuneration Committee consists of

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|-----------------------------|------------------------------------|
| 1. Mr. Wisan Wuthisaksilp | Chairman (Independent Director) |
| 2. Gen. Jiradej Mokkahasmit | Member (Independent Director) |
| 3. Gen. Trisak Indararusmi | Member (Independent Director) |

Remark:

Mr. Somchai Poolsavasdi has resigned from the Board of Directors and Chairman of the Nomination and Remuneration Committee on September 11, 2013.

Meetings and Performance in 2013

The committee performed all its duties spelled out in the charter and met five times, with perfect attendance, as shown on page 85.

A summary of these meetings appears below:

1. For the CEO, assessed his performance and decided his salary rise commensurate with his performance against the criteria of the job

2. Appointed Secretary to the Nomination and Remuneration Committee to align with new organization structure, which officially announced on January 1, 2013
3. Recruited and deliberated persons for the Board's consideration before tabling their names to the shareholders' meeting for approval to replace directors that completed their terms in 2013
4. Based the Board's compensation for the year 2013 on criteria suitable for their responsibility and linked the compensation to Thairoil's overall performance against listed companies of the same business group, as well as Thairoil's dividend payment
5. Recruited and nominated qualified persons to the Board for appointment in place of members who resigned before completing their terms
6. Recruited and nominated directors for seats on the Audit Committee, Corporate Governance Committee, Risk Management Committee, and Nomination and Remuneration Committee to the Board for consideration in the vacated posts
7. Encouraged Thairoil to allow minor shareholders to propose agenda items and nominate director candidates for election at least three months ahead of the 2014 Annual General Meeting of Shareholders from the period of October 1, 2013 – January 31, 2014 through Thairoil's website
8. Appointed Chairman of the Nomination and Remuneration Committee to fill the vacancy

January 23, 2014

On behalf of the Nomination and Remuneration Committee



(Mr. Wisan Wuthisaksilp)

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