

9.7 Directors' Serving Terms and Their Directorship in Other Companies

PTTEP's Articles of Association prescribes that one-third of the Company's directors shall be retired by rotation in each AGM and that the Board shall consist of no more than 15 members, each with a 3-year serving term. The Board meanwhile determines to allow each of the directors or independent directors to serve on the Board for no more than nine consecutive years, while a director who has served on the Board for nine years will not be considered for another term. This essentially allows our competent and qualified directors the time to continuously and effectively perform their duties.

PTTEP recognizes the value of knowledge and experience which our directors have earned over the years in the position. PTTEP therefore does not have a rigid limit for director's term (a two-term or six-year term, in example). This is so that the Nominating Committee could best select the replacements for the optimal benefits of the Company and shareholders.

In terms of the qualifications, the Company's directors shall not assume a directorship in more than three listed companies at once. Details of the number of directorships held by each of the Company's directors are disclosed in the "Information of the Board of Directors, Management, Controlling Persons, and Corporate Secretary" part. As of December 31, 2018, none of the directors held a directorship in more than three listed companies. Meanwhile, serving term of the members of the sub-committees is equal to that of the Board members.

9.8 Roles of the Chairman and the Chief Executive Officer

The Board is authorized to elect one director to be the Chairman of the Board as well as to appoint a person to be Chief Executive Officer where the Chairman and the Chief Executive Officer of PTTEP are of two different directors. The Chairman does not participate in the daily management of the business, providing that conducting and monitoring of the business policies are entirely separated from the daily operational management. Duties and responsibilities of the Chairman of the Board are as follows:

- (1) Supervise the Board to perform its duties with efficiency, according to the Board Performance Target and shareholder's expectations, with independency from the management
- (2) Determine agendas for the Board's meetings
- (3) Be the Chairman at the Board's and the shareholders' meetings and ensure that the Company's directors perform their duties as stipulated in the CG&BE and stimulate it as the Company's culture
- (4) Support and ensure constructive relations between directors and management

For transparency and appropriateness, the Chairman is not allowed to hold any positions in any of the Company's sub-committees as clearly stated in the charter of the sub-committees. The Chief Executive Officer meanwhile is responsible for the Company's daily management with the authority as empowered and granted by the Board.

9.9 Independence of the Chairman

PTTEP considers independency as the first priority in election of the Company's Chairman of the Board. Shall there be none who is suitable for the position, the Company's directors will be considered. The current Chairman, Mr. Prajya Phinyawat, is an independent director and has performed his duties with autonomy and discretion. The appraisal score of the Chairman in 2018 was 2.98 where 3 was the highest. The Chairman and his performance were appraised and examined for future improvements by the Board. Details of the appraisal results are disclosed in the "Performance Appraisal of the Board" part.