PTT Exploration and Production Public Company Limited

Corporate Social Responsibility Framework

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Table of Contents

1.   Introduction

PTT Exploration & Production Public Company Limited (PTTEP) is committed to operating in a socially responsible manner. To reflect this commitment, PTTEP has developed a Corporate Social Responsibility (CSR) Framework (i.e. this document). The framework provides guidance for PTTEP and its subsidiaries in how to operate in a socially responsible manner.

1.1   Corporate Social Responsibility

The business community has increasingly become aware of the benefits of operating in a socially responsible manner (see Box 1). The objective of social responsibility is to contribute to Sustainable Development (SD).

Adopted from the ISO 26000 Guidance on Social Responsibility, Corporate Social Responsibility (CSR) for PTTEP refers to the responsibility of the company for the impacts of our decisions and activities on society and the environment, through transparent and ethical behavior that:

- contributes to SD;

- takes into account the expectations of stakeholders;

- is in compliance with applicable laws and consistent with international norms of behavior; and

- is integrated throughout the organization.

Box 1. Examples of Benefits
Effective implementation of CSR (e.g. through a CSR Strategy) can influence a company's:
- Competitive advantage;
- Reputation;
- Ability to meet stakeholder expectations;
- Social license to operate;
- Ability to attract and retain its workforce;
- Relationships with key stakeholders; and
- Ability to reduce project delays.

CSR comprises two key aspects: (1) behaving in an ethical and transparent way; and (2) incorporating social and environmental considerations in decision-making processes as well as being accountable for the impacts that may result from such decisions. These aspects are underpinned by a core set of principles. These principles are described in Box 2 below.

Box 2. Principles of CSR

- **Transparency**. This includes the disclosure of relevant information ranging from policies and outcomes of key decision to implementation of on-ground activities;
- **Ethical behavior**. This includes behaving in a manner that is honest and equitable and acting with integrity;
- **Accountability**. There should be clear accountability within an organization, including relevant governance structures;
- **Respect for human rights**. This includes demonstrating respect for internationally recognized rights;
- **Respect for stakeholder interests**. Opportunities should be provided for stakeholders to engage with the business both to seek information as well as provide feedback;
- **Respect for internationally accepted behaviors**; and
- **Respect for and acceptance of the rule of law**.

1.2   International Best Practices

Extensive work has been undertaken to better define CSR and provide guidance on how to effectively operate in a socially responsible manner. This has been driven by a variety of global initiatives and a number of key international organizations. A summary of the relevant initiatives and organizations are provided in Tables 1 and 2 respectively.

Table 1 Global CSR Initiatives

Initiative	Description
United Nations Global Compact	The United Nations Global Compact (UNGC) is the world's largest global CSR initiative, having memberships more than 4,500. It provides a strategic policy initiative that aims to ensure business positively contributes to society – both economically and socially. This is achieved through its ten overarching principles, which largely fall into four categories – human rights, labour, environment and anti-corruption. Businesses, who voluntarily become signatory to the UNGC, are asked to report their progress against the ten principles, so called Communication on Progress (CoP). Failing to do so means that a business can be downgraded from member to participant and eventually de-listed from the UNGC.
Principles for Responsible Investment	Backed by the United Nations, the Principles for Responsible Investment (PRI) provide guidance on how to effectively and efficiently invest in a responsible manner. The goal is to provide a framework to assist investors in considering environmental, social and corporate governance (ESG) issues, as they can adversely affect the performance of investment portfolios. The principles cover: a) environmental, social and governance (ESG) aspects as extra-financial investment criteria; b) incorporation of ESG issues into investment analysis and decision-making processes; c) active ownership; and d) disclosure on ESG issues. More than 400 global investment institutions have signed up to the PRI.

Initiative	Description
Equator Principles	The Equator Principles (EP) is the financial industry benchmark for determining, assessing and managing social and environmental risk in project financing developed by International Finance Corporation (IFC); World Bank Group. Key objectives of the EP are: a) ensure that the projects financed by signatories are developed avoid negative impacts on project-affected ecosystems and communities; and b) create benefits to signatories, borrowers and local stakeholders through borrowers' engagement with locally affected communities. Sixty of the world's leading financial institutions have signed up to the EP. Members are required to report progress against the principles and embed the principles into their business and risk management processes.
Global Reporting Initiative	The Global Reporting Initiative (GRI) is a comprehensive sustainability reporting framework widely used by companies. The aims are to ensure credibility and trust required of a global disclosure framework on economic, environmental, and social performance, and make reporting by all organizations as routine and comparable as financial reporting.
ISO 26000	The International Organisation for Standardization (ISO) developed ISO 26000 to globally provide a common understanding of social responsibility. It provides guidance for operating in a socially responsible manner.
Extractive Industries Transparency Initiative	The Extractive Industries Transparency Initiative (EITI) focuses on improving governance, reducing corruption and increasing transparency. There are three key components: (1) disclosure of payments made by companies to governments, (2) disclosure by governments of the payments that they receive and (3) independent verification of the payments made and received (e.g. taxes, royalties).

Corporate Social Responsibility Framework

Initiative	Description
Voluntary Principles on Security and Human Rights	The Voluntary Principles on Security and Human Rights were established by representatives from government, the extractive industry sector and non-governmental organisations in response to human rights violations associated with the actions taken by security forces. The principles provide guidance on managing human rights risks associated with the use of security forces.

Table 2 International Organisations

| Initiative	Description
United Nations Global Compact Networks	The UNGC has set up a number of networks (global and country specific) as well as (topic specific) working groups to support businesses and organisations in operationalizing and implementing the UNGC.
International Petroleum Industry Environmental Conservation Association	IPIECA has been established as the global oil and gas industry association for environmental and social issues. It provides guidance to the oil and gas industry on how to manage relevant environmental and social issues, including potential impacts. This includes guidance on operating in a socially responsible manner.
International Labour Organisation	The International Labour Organisation (ILO) is a UN organisation responsible for developing and overseeing implementation of international labour standards. This includes a series of human rights standards.
International Business Leaders Forum	The International Business Leaders Forum is a global organisation that focuses on critical sustainability, growth and leadership issues. It develops and supports its membership (i.e. multinational companies) to implement relevant guidance.

- 6 -/ 1.3 Sustainable Development…

1.3   Sustainable Development

Within the business sector, there has been an increasing focus over the past decade on operationalizing the concept of Sustainable Development (SD). The focus is on three dimensions – social, economic and environmental.

Many businesses have embedded CSR in their SD efforts. This is largely because CSR is seen as a core component of achieving SD; and by embedding CSR within the broader sustainability portfolio work can be streamlined.

CSR largely sits within the social dimension; however, it overlaps with the economic and environmental dimensions as depicted in Figure 1 below.

Figure 1 Scope of CSR in SD Principles
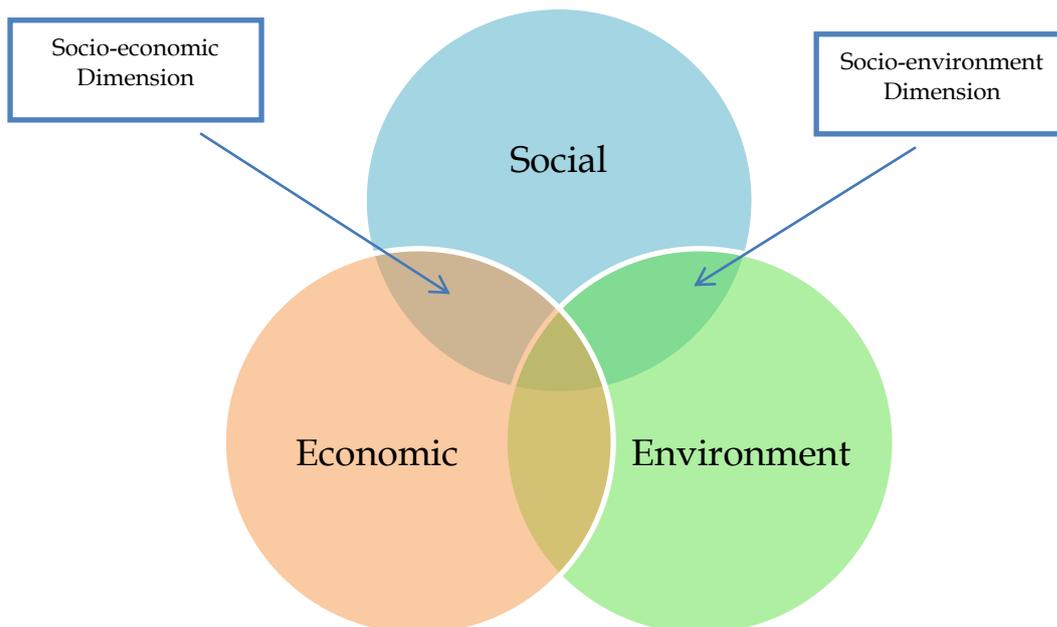
1.4   Document Scope and Structure

This document has been guided by the global initiatives and international organizations and largely focuses on the CSR components that fall within the Social, Socio-economic and Socio-environmental Dimensions of SD.

The objectives of this document are to: (1) ensure a consistent approach to the implementation of PTTEP's CSR framework across PTTEP and its subsidiaries (and to the extent possible PTTEP's business partners, suppliers and contractors), and (2) assign roles and responsibilities for the implementation of PTTEP's CSR framework.

This document is particularly important as PTTEP and its subsidiaries begin to operate in new geographies around the world. For example, operating in emerging economies, particularly where PTTEP may be the first business to work with an evolving government, presents a number of challenges, such as maintaining strong ethical standards. This guidance will provide support in addressing issues such as these.

The document is structured in the following manner:

Chapter 1   provides an introduction to CSR, including relevant international initiatives and organisations;

Chapter 2   describes the key components that support implementation of PTTEP's CSR framework, including the relevant governance structure;

Chapter 3   provides guidance for the day-to-day management of material issues; and

Chapter 4   identifies those responsible for implementation of PTTEP's CSR framework and presents a list of key terms and definitions.

2. Framework Application

This section provides an overview of CSR at PTTEP, including the existing CSR policy, governance structure and material issues.

2.1 CSR Policy

By contributing to Sustainable Development and being socially responsible company, eight key areas of our commitments to Corporate Social Responsibility are:

1. Integrate social responsibility with each business decision-making and execution process.

2. Manage business under good corporate governance and our code of business conduct.

3. Uphold fundamental human rights while respecting local laws, cultures, customs, and values, in dealing with employees and those affected by our business execution alike, and shall not be complicit in human rights abuses.

4. Continuously improve our safety, security, health and environmental execution in comparable with international leading companies, and in compliance with PTTEP's Safety, Security, Health and Environment Policy.

5. Support research into innovations for petroleum exploration, development and production through optimal application of natural resources and minimization of environmental impacts.

6. Contribute to the sustainable social development, conservation of natural resources, and environment of the community in which we operate.

7. Conduct effective and transparent engagement and communication with our stakeholders.

8. Encourage business partners, suppliers of goods and services and customers to adopt CSR principles and practices that are comparable to our own.

The CSR policy provides the foundation for the CSR framework, and has been embedded into the framework in order to streamline management of CSR.

2.2   Governance Structure

Having in place a strong governance structure, that is understood and effectively implemented, provides the required basis for implementation of CSR.

Table 3 summarizes the governance structure as it relates to key elements of the CSR framework. The governance structure identifies those who are responsible (R) and accountable (A) for implementation of the CSR framework as well as those who should be consulted (C) and informed (I) throughout implementation of the CSR framework.

Corporate Social Responsibility Framework

Table 3 PTTEP CSR Governance Structure Framework

CSR Framework Components		Responsible	Accountable	Consulted	Informed
DEVELOPMENT	CSR policy statement	CSR	CCR	CEO	Function
	Social management strategy	CSR	CCR	CEO	
	Roles and responsibilities governance matrix	CSR	CCR	Functions	Functions
	Corporate standard(s)	CSR, CCR/I	CCR	Functions	Functions
	Strategic communication plan	CCR/C	CCR	CSR, CCR/I	SD Council/MC
	Positions on/approaches to management of key issues	CCR/I	CCR	Functions	RMC
	Objectives, targets and performance indicators	CSR	CCR	CEO	
IMPLEMENTATION	Strategy and standard implementation	CSR, CCR/I+C	CCR	SD Council	
	Social investment project/program	CSR	CCR	SD Council	
	Stakeholder engagement and issue management	CCR/I	CCR	Asset/Project	Asset/Project
	Monitoring of performance	CSR, CCR/I+C	CCR		Asset/Project
	Evaluation and continual performance improvement	CSR, CCR/I+C	CCR		Asset/Project
REPORTING	Auditing and verification (CCR/S)	CSR	CCR	SD Council	
	Auditing and verification (CCR/I)	CCR/I	CCR	Asset/Project	
	Corporate sustainability reporting	CSR	CCR	Functions	SD WT

**Corporate Social Responsibility Framework**

2.3   Materiality

Assessing materiality helps to identify the issues that are of greatest significance to a business or organization. Once identified the focus should be on managing these issues and reporting the outcomes.

A workshop was held in December 2012 with representatives from PTTEP to assess materiality. The assessment compared the issues of significance to PTTEP against those identified as significant to PTTEP's stakeholders. The output from the workshop is summarized in Figure 2.

Figure 2 PTTEP CSR Materiality Assessment

Materiality Assessment Matrix
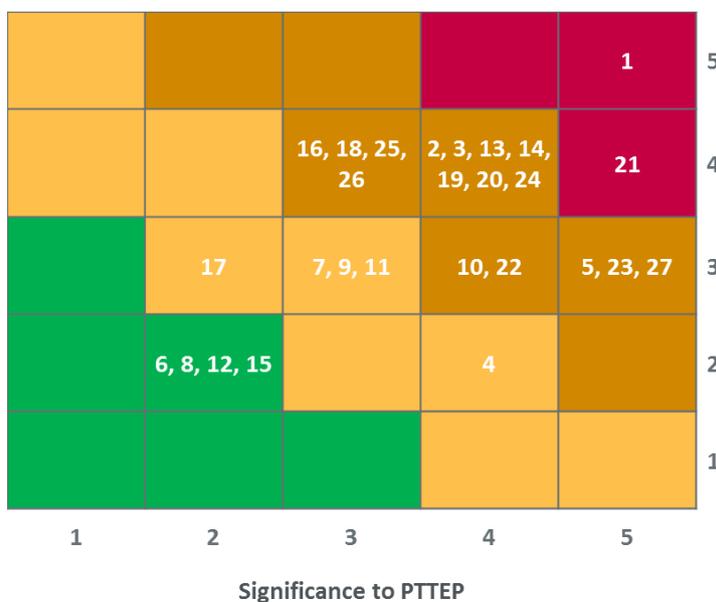
Material Aspects

Hydrocarbon spill (1)
Exclusion from fishery areas (2)
Disruption to biodiversity values (3)
Waste disposal (4)
Operational safety (5)
Change in livelihood (6)
Noise and vibration emissions (7)
Visual impact (8)
Odour emissions (9)
Land access (10)
Water and soil contamination (11)
Subsidance (12)
Conflicting land uses (13)
Greenhouse gas emissions (14)
Employment opportunities (15)
Labor and human rights (16)
Taxation and royalties (17)
Corruption (18)
Corporate governance (19)
Compensation expectations (20)
Talent attraction and retention (21)
Ethical behaviours (22)
Energy security (23)
Community security & safety (24)
Stakeholder expectations (25)
Green/conservation activists (26)
Contractor/JV compliance (27)

This information will guide and help define the minimum expectations of PTTEP's CSR framework, see Section 3.0 of this document.

3.   Expectations

This section provides guidance for those responsible for day-to-day implementation of PTTEP's CSR framework. The focus is on the material CSR aspects identified in Section 2.3, which are summarized in Table 4.

Table 4 Material CSR Aspects

SD Dimension	Material Aspects
Social	• Talent attraction and retention • Exclusion from fishery areas • Corporate governance • Community security and safety • Human rights
Social-environmental	• Hydrocarbon spill • Disruption to biodiversity values • Greenhouse gas emissions
Socio-economic	• Conflict with economic, social and cultural rights • Energy security • Compensation expectations • Contractor/Joint Venture Partner compliance

3.1   Social Dimension

3.1.1   Talent attraction and retention

A core focus of PTTEP's operations is to provide long-term energy security. In order to achieve this goal, it will be important to attract and retain relevant talent.

A number of measures have been identified that will support the acquisition and retention of talent. This includes:

- Effective implementation of the CSR framework. There is increasing evidence that socially responsible behavior is a key factor when potential employees are selecting a workplace;

- Development of an employee brand ambassador program to promote the PTTEP brand. This should include promotion of PTTEP's CSR efforts; and

• Provision of opportunities for employees to contribute to society and the environment via the Employee Voluntary Program.

These measures should be supported by the development of a value proposition. The proposition will identify and clearly articulate the benefits of working for PTTEP. This will be a useful tool in the recruitment of new talent and for those responsible for promoting the PTTEP brand, such as the employee brand ambassador.

3.1.2   Exclusion from fishery areas

The development of offshore oil and gas reserves often requires the development of exclusion zones. This excludes a variety of activities from operating adjacent to assets, including commercial and recreational fishing.

In order to reduce the potential impacts that may be experienced by the fishing industry as a result of PTTEP's assets and operations it is important to:

- Reduce or, where possible, avoid conducting seismic and logistic activities during breeding periods;

- Consult key stakeholders to understand the location and significance of fishing grounds;

- Notify key stakeholders early about proposed activities; and

- Seek input from key stakeholders to identify opportunities to further reduce potential impacts.

- Develop compensation measures to replace lost or adversely impacted environmental values that should have similar functions equaling to the lost values. Where economically viable, compensation measures may be designed to offer greater benefits to communities, resulting in new or additional opportunities for environment and biodiversity conservation, or improved and better management of resources, leading to win-win situations.

3.1.3   Corporate governance

In order to operate in a socially responsible manner, appropriate governance structures must be in place. This is particularly important when seeking to maintain transparency and reducing the potential for corruption to occur.

- 14 -/ This can be achieved …

This can be achieved through:

- Ensuring Board accountability via monitoring and evaluating CSR performance;

- Developing strategies, objectives and targets that reflect PTTEP's commitment to social responsibility. This will provide a starting point for tracking progress and evaluating performance; and

- Proactively demonstrating a commitment to CSR through the effective implementation of PTTEP's CSR framework.

3.1.4 Community security and safety

Onshore and offshore oil and gas operations present safety risks and security issues for communities, if not managed appropriately. For example, the use of heavy vehicles in and around an onshore operation increases the likelihood of vehicular accidents.

In order to reduce the likelihood of such risks arising, it is important that the following steps are undertaken:

- Assess the potential community impacts associated with PTTEP activities. This can be done through a proper social impact assessment and/or health impact assessment studies, or another approach that requires systematic evaluation of impacts on communities;

- Establish measures to mitigate any adverse impacts and enhance any potential benefits; and

- Build local community capacity and understanding of security and safety risks associated with PTTEP's activities and controls that are in place to mitigate potential impacts.

3.1.5 Human rights

There is growing recognition that business has an important role to play in relation to the long-term protection of human rights. This includes the rights set out in the ILO's eight core conventions relating to human rights and labour practices and PTTEP Human Resources Policies.

> **Box 3. Human Rights**
>
> *Civil and political rights* protect the individual from unwarranted infringement by government and private organizations and guarantee the individual the ability to participate in civil and political life without discrimination or repression. Examples of civil and political rights includes: the right to life, freedom of religion, freedom of speech, freedom of assembly, and rights to due process and a fair trial.
>
> *Economic, social and cultural rights* are found in the belief that people can enjoy rights, freedoms *and* economic justice all at the same time. Examples of economic, social and cultural rights include the right to work, the right to just and favourable working conditions, the right to an adequate standard of living and the right to education.

There is also recognition of the risks that exist if human rights are not respected by business, including legal liability, reputational risk, and disruption to operations.

The following activities will help to minimize the likelihood of human rights risk arising:

- Identify and mitigate significant human rights risks associated with PTTEP's operations and activities through appropriate due diligence;

- Develop policy options to address key human rights issues, including resettlement, security, vulnerable groups (e.g. indigenous peoples, women, ethnic minorities), supply chain management, labour practices and grievance management;

- Consider comprehensive resettlement action planning, in line with relevant global standards (such as the International Finance Corporation's Performance Standards) wherever PTTEP acquires land that is inhabited or used by local communities irrespective of legal ownership;

- Extend the scope of human rights risk management to PTTEP's supply chain (i.e. contractors and suppliers);

- Provide human rights awareness training to all employees;

- Establish relevant internal and external grievance mechanisms to support the identification and management of grievances identified by employees and community members; and

 • Perform internal and external monitoring/audit and disclosure of human rights policies, standards and performance on an annual basis.

3.2   Socio-Environment Dimension

3.2.1   Hydrocarbon spills

Hydrocarbon spills can result from a variety of onshore and offshore activities. For example, there is potential that a well will blow out during a drilling campaign.

It is important that appropriate health and safety measures are established to prevent the likelihood of a hydrocarbon spill occurring. These will vary depending on the activity, but should be reviewed by an appropriately trained person prior to commencement of the activity. The measures should be monitored over time to ensure that they are being implemented appropriately.

In addition, it is important the appropriate contingency planning is completed at the outset of any activity. This will ensure that if a hydrocarbon spill occurs there will be a well-coordinated, timely response. The contingency plan should, at a minimum, include:

 • Measures to mitigate any potential adverse impacts on biodiversity;

 • A proactive and transparent means of communicating with key stakeholders;

 • A fair and equitable approach to compensation (if required); and

 • A long-term monitoring program to track progress in spill clean-up.

3.2.2   Disruption to biodiversity values

Disruption to biodiversity values may result from a variety of activities, ranging from the land clearing associated with onshore activities to offshore vessel collisions with marine fauna.

Measures to reduce or avoid the loss or disruption to biodiversity values should be captured in asset-specific biodiversity conservation plans. Such plans should:

- 17 - / Seek to avoid …

- Seek to avoid the loss of ecosystems;

- Restore any destroyed or damaged ecosystems;

- Establish offsets if avoidance and restoration are unable to be achieved; and

- Implement measures to preserve any threatened species or habitat that may be adversely affected.

A policy should be developed to guide the establishment (and ongoing monitoring and evaluation) of offsets to ensure a consistent approach is undertaken. The aim should be to establish a net gain in ecosystem services over time.

For the identification, assessment and management of biodiversity impact of our E&P activities, please refer to Biodiversity Management Guideline. The guideline is obligatory for the development located in biodiversity sensitive area and to prevent potential impact to endangered species.

3.2.3 Greenhouse gas emissions

PTTEP's operations emit, amongst other things, greenhouse gases. There is widespread community recognition of the impacts associated with greenhouse gas emissions and the steps needed to reduce the likelihood that these impacts will occur.

PTTEP is committed to reducing its greenhouse gas emissions. A key focus is supporting the transition to a low carbon society.

In addition, PTTEP is committed to helping reduce the impacts associated with greenhouse gas emissions. This includes: (a) supporting regional development plans to reduce vulnerability to floods, high winds, drought and water scarcity or intense heat, and (b) increasing community awareness of the importance of climate change adaptation and prevention measures.

3.3 Socio-Economic Dimension

3.3.1 Conflict with economic, social and cultural rights

From time to time, conflicts may arise with economic, social and cultural rights. Examples include involuntary resettlement of stakeholders and the destruction of sites of cultural significance resulting from the development of an onshore facility.

To reduce the likelihood conflict that may arise, it is important that the following occur:

- Operations respect the right to own property and freedom from being arbitrarily deprived of property;

- Partnerships be established with governmental institutions to ensure the integration of business activities with the Regional Development Plan; and

- Relevant grievance mechanisms are established.

3.3.2 Energy security

A key objective for PTTEP is ensuring long-term energy security. This is important not only to the future of PTTEP as an operator but also the sustainable growth of the society where we operate.

In order to support (and ensure) long-term security, it is important that the following occur:

- Participation in programs that develop local and national skill pools;

- Identification of programs that support long-term energy security;

- Provision of support for a short list of the programs that support long-term energy security;

- Effective implementation of PTTEP's CSR framework; and

- Act as a knowledge facilitator to provide thought leadership, and share knowledge across the various energy security programs.

3.3.3 Compensation expectations

There may be times when compensation is required (e.g. during the acquisition of land and the resettlement of communities).

To help ensure a fair, consistent and transparent approach to compensation is taken, the following should be done:

- Consult representative community groups in determining priorities for social investment and community development activities;

- 19 - / Implement community …

- Implement community development programs to compensate losses from impacts caused by PTTEP activities; and

- Establish a mutually agreed compensation plan.

It is important to understand, at the earliest possible stage, when such expectations exist among stakeholders. This provides an opportunity for the issue to be managed before it becomes divisive.

3.3.4   Contractor/ Joint Venture Partner compliance

Businesses and organizations are no longer held accountable for their operations alone, but are being held responsible for the behaviors displayed by their contractors and joint venture partners.

In order to achieve this, the following steps should be taken:

- Embed in relevant contracts the requirement to comply with applicable laws and regulations as well as PTTEP's standards regarding CSR;

- Audit supplier, contractor and Joint Venture Partner performance against applicable laws and regulations and PTTEP standards. Disclose the audit results and follow-up on any corrective actions identified (i.e. actions required in order to improve performance);

- Proactively build supplier, contractor and Joint Venture Partner awareness and capacity to respond to PTTEP's CSR requirements; and

- Identify opportunities for suppliers, contractors, Joint Venture Partners and PTTEP to learn from one another regarding CSR.

4.   Integration

A key of the CSR framework is its application at all levels across the organization. The process for implementing, monitoring, evaluation and reporting of CSR framework application is crucial to ensure the defined minimum expectations are consistently practiced by PTTEP and its subsidiaries. This section provides additional guidance regarding these aspects of the framework.

4.1   Implementation

Every Employee:

- It is the responsibility of everyone at PTTEP to comply with and enforce the CSR Policy and Framework.

PTTEP Functions (including Assets, Departments, Divisions and Subsidiaries):

- All Management is responsible for tackling CSR issues pertaining to their operations.

- Every PTTEP Function shall adhere to CSR framework (representing the minimum requirements and its implementation will be audited).   All management is responsible for leading the implementation of the CSR Framework within their function.

- Every PTTEP Function shall conduct periodic self-assessments against the expectations under CSR Framework to identify and address any substandard condition.

- Each PTTEP Function is responsible for establishing a communication program. This program must be developed in conjunction with Corporate Communication and Reputation Division (CCR), in order to assure it is consistent with the communication strategy of the company.

Country Sustainability Coordinator:

- Every CSR Country Coordinator is responsible for implementing this Policy and keeping in contact with the CCR and CSR.

- Every CSR Country Coordinator must support the PTTEP Function during the implementation of the CSR Framework and report the implementation progress to CSR.

- Every Country CSR Coordinator is responsible for actively participating in studies and projects for new developments and expansions, by evaluating potential CSR risks. He/she should also assess the legal implications of CSR issues in order to ensure compliance with the CSR Policy.

Country CEO:

- Every Country CEO is responsible for appointing Country CSR Coordinator, and for providing her/him with resources to carry out programs and projects aligned with this policy.

- Every Country CEO is responsible for supervising the application of CSR Framework within all PTTEP Functions in the country.

Corporate Social Responsibility Department (CSR):

- The CSR Department (CSR) is responsible for formulating CSR Policy, Framework and Guidelines, and ensures their implementation in accordance with PTTEP strategy for global and local.

- The CSR Department will supervise compliance with the CSR Policy and Framework through periodic verification.

- The CSR Department will encourage all PTTEP Functions to share best practices and related knowledge relating to material CSR aspects.

- The CSR Department quarterly reports to SD Council the consolidated CSR related programs, projects outcomes and performance.

- The CSR Department works in conjunction with Corporate Communication Section, Issue and Stakeholder Management Section, and other concerned functions within PTTEP (e.g. CSH) to produce and revise PTTEP CSR information for public use.

- The CSR Department works in conjunction with the Country CSR Coordinators using the best practices to make the proper changes of this framework, where necessary.

PTTEP President & CEO:

- The PTTEP President & CEO is responsible to approve the CSR Policy, as well to define PTTEP approaches to CSR.

4.2   Monitoring and Evaluation

Continuous monitoring and regular evaluation support ongoing improvements in performance. To support these efforts, a monitoring program is annually established (Box 4).

Box 4. Monitoring Program

A monitoring program should identify the data that needs to be collected, who is responsible for collecting the data and how often the data should be collected.

It is important that the program is supported by a data management system (i.e. to store the collected data). Systematic collection of data will help to reduce the delays in completing an evaluation.

It is most cost effective to establish a monitoring program early. This will enable data to be collected as the investment is implemented (rather than retrospectively).

Monitoring is undertaken by the CSR Department for both domestic and international assets. Monitoring will occur at regular intervals depending on PTTEP Functions.

The monitoring data is used by the CCR and SD Council to annually evaluate CSR performance. This evaluation helps determine whether PTTEP Functions have achieved its CSR objectives, goals and targets.

In addition, a periodic management review of the CSR Framework is conducted by the SD Council. This helps evaluate the effectiveness of the CSR Framework deployment. The results from this periodic management review are reported to the CEO by the CCR.

4.3   Reporting

Another important component of the CSR Framework is reporting. Corporate sustainability reporting efforts should focus on performance, particularly performance against the material aspects identified in Section 2.3.

Performance monitoring is consolidated for internal and external communication purposes. Communicating these results is the responsibility of the Corporate Communication Section (CCR/C).

This includes PTTEP's annual Sustainability Report. How to prepare Corporate Sustainability Report is addressed in the Corporate Sustainability Reporting Guideline, prepared by CSR Department.

Terms and Definitions

Initiative	Description
Corporate Social Responsibility	CSR focuses two key aspects: (1) behaving in an ethical and transparent way and (2) incorporating social and environmental considerations in decision-making processes. This includes being accountable for the impacts that may result from decisions that are made.
Corporate Citizenship	Corporate citizenship is the role that a company plays in society. This is often linked to a company's CSR efforts.
Sustainable Development	Sustainable development recognises the interdependence of economic, social and environmental objectives in ensuring long-term viable development.
Social Investment	Social investment refers to the voluntary contributions made by companies to help communities (and broader society) sustainably address their development priorities.