



Navigating through the Recovery

Thailand
VISION

OUR
GROWTH

OUR
WIN

OUR
PRIDE

Annual Registration Statement / Annual Report 2021
(Form 56-1 One Report)

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Certain Terms and Conventions

In this report, all references to:

Company, Esso (Thailand), we, us, our	refers to	Esso (Thailand) Public Company Limited
ExxonMobil, Exxon Mobil Corporation	refers to	Any one or more of Exxon Mobil Corporation and/or any its subsidiaries or affiliates, as the context may require.

In case this Annual Registration Statement / Annual Report (Form 56-1 One Report) references information disclosed on the Company's website, the disclosed information shall be deemed to be part of Form 56-1 One Report. The Board of Directors certifies the correctness and completeness of disclosed information and annual information disclosure in Form 56-1 One Report.

Forward-looking statements described in this document, for example "believe that", "expect that", "plan to", "intend to" or "estimate that", or, change of applicable law governing the business operation of the Company, government policy, etc. which are forecasts made by the Company at present do not represent or warrant the operating result or occurrence in the future. Actual outcome may be materially different from such forecasts. Information in this section which refers to, or is relevant to, the government or overall economy of the country is derived from the information disclosed in, or extracted from, the government's published documents or other sources, the correctness of which are not verified or certified by the Company.

Message from the Chairman

The past year was a challenging year for Esso (Thailand) Public Company Limited. The global pandemic continues to take a tragic toll on people and communities, while severely impacting businesses, big and small. Yet, as is often the case, hardships bring out the best in people, as exemplified by the thousands of frontline workers, first responders and medical professionals who bravely battled the virus.

The pandemic continued to impact our business, as we navigate through the recovery, Esso (Thailand) remains committed to operating our business in a responsible manner, supplying high-quality products, working to minimize environmental impacts and supporting the communities where we live and work as promised in our Esso (Thailand) vision: “Power Life with Premier Energy Experience”.

Resilience is a vital necessity for us to stay the course. The team has learned and adapted to operate by leveraging our strength in Operation Excellence, Business Continuity Plan, Workplace flexibility program, and Site Safety and Health program. Collaboration remained top notch during the extended work-from-home period supported by world-class in-house IT infrastructure while monitoring the safety and health of employees’ working at home.

Although financial performance was directly influenced by the uncertainty of the pandemic on Thailand’s fuels demand, we strived to achieve improved financial results with 2021 earnings of 4,444 Million Baht, or 12,354 Million Baht higher comparing to 2020 through the resiliency of our people and our operations.



Our notable milestones in 2021 include:

- Sriracha refinery continued being nimble with its production to cope with significant shift in fuels demand throughout the year utilizing crude diversification flexibility and strong operations reliability. On the petrochemical front, the Company has continuously evaluated ways to optimize its operations and integrated supply chain. Given an over-supply outlook and poor margins, the decision to suspend Paraxylene production was made effective April 2021. The Company will continue to evaluate our Paraxylene operations and supply chain on a periodic basis.
- Retail fuels sales expanded its service station from 702 stations at the end of 2020 to 731 sites by year end 2021. This is the highest number of service stations in a decade. Meanwhile, backcourt offering was enhanced as Coffee Journey continues to grow its footprint in Esso service stations.
- Commercial business successfully grew volume to neighboring countries as well as opportunistic sales to the Power Plant sector. Commercial volume grew approximately 8% in various sales segments (Industrial and Commercial and Cross-border) in 2021.
- Lubricants launched the upgraded Mobil Super™ range that provides better engine wear protection. On commercial fleet side, the roll-out of MobilSM Fleet Care provides fleet owners and operators with a holistic view of their fleet's operational performance.

While focusing on delivering business performance, we also emphasized social engagement to help alleviate the impact of the pandemic. An exceptional commitment was displayed by our employees,

customers and business partners in the form of financial contributions, medical supplies, Personal Protective Equipment, and fuel cards to medical institutions and first responders.

I am proud to share that, for the first time, Esso (Thailand) Public Company Limited won the 2021 HR Excellence Awards from Human Resources Online Consultant Asia in Corporate Social Responsibility Strategy. We also won the Platinum award from The American Chamber of Commerce in Thailand in recognition for Corporate Social Responsibility for 12 consecutive years, a true reflection of our commitment to create long-term economic and social value.

We have a long history of responsibly meeting society's evolving need for energy in a reliable and sustainable manner. With a longstanding to commitment to investments in technology and the ingenuity of our people, we are well positioned to continue to provide the energy that is essential to improving lives, while managing the risks of climate change.

Looking ahead, Esso (Thailand) continues to play an important role in Thailand's recovery from the pandemic and beyond – by providing energy and products that are critical to economic growth while minimizing environmental impacts. We support society's aspiration in climate policy to achieve a lower-carbon energy future consistent with the goals of the Paris agreement. The events of the past year were among the most uncertain we have ever experienced, yet our employees rose to the challenge and demonstrated resiliency. This gives all of us at Esso (Thailand) tremendous confidence in our plans, our people and our future.



Adisak Jangkamolkulchai

Chairman and Managing Director
Esso (Thailand) Public Company Limited

Power Life
with Premier Energy **Experience**



In the midst of dynamic and challenging business environments, our capability to compete in the market is strengthened by Thailand Vision, **“Power Life with Premier Energy Experience,”** to lead the organization towards further success. The 3 missions to support our vision are;

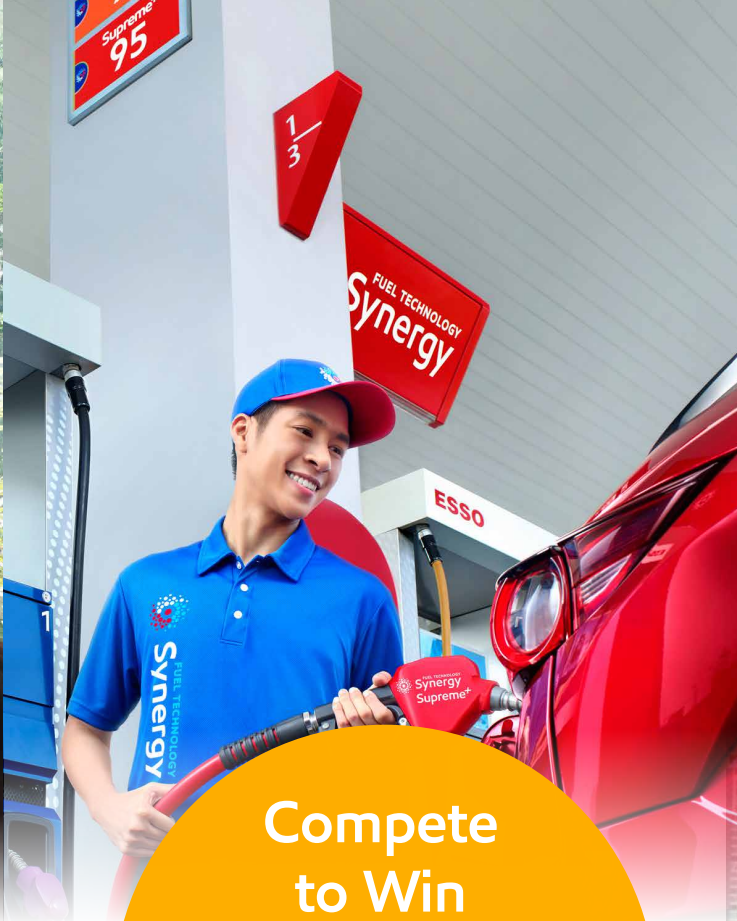


We are committed to collect valuable experiences as well as to learn and explore fresh, new ideas and perspectives. This includes sharpening our skills and enhancing the capability of our employees to deliver results, to offer the quality services that address the specific and multifaceted needs of our customers, as well as to move forward strategically with our business partners. With these complementing efforts, we are well positioned to compete in the market and drive the company to further success with the Thailand vision; **“Power Life with Premier Energy Experience”**.



Grow Skills

Develop globally competitive talents that drive future growth



Compete to Win

Leverage strong integration footprint in Thailand to differentiate our products and services



Maximize Brand Value

Promote brand value to become the Company of Choice



General Information and Other Important Information

Company Information

Company Name	Esso (Thailand) Public Company Limited
Symbol	ESSO
Business	Integrated petroleum refining, petrochemical, and marketing
Registration Number	0107539000073
Registered Capital	Baht 17,110,007,246.71 Comprising: 3,467,916,666 common shares Baht 4.9338 per share
Paid-up Capital	Baht 17,075,181,200.40 Comprising: 3,460,858,000 common shares Baht 4.9338 per share
Head Office	3195/17-29 Rama IV Road, Klong Ton, Klong Toey District, Bangkok, 10110
Telephone	02 407 4000
Facsimile	02 407 4800
Website	www.esso.co.th

Investor Relations

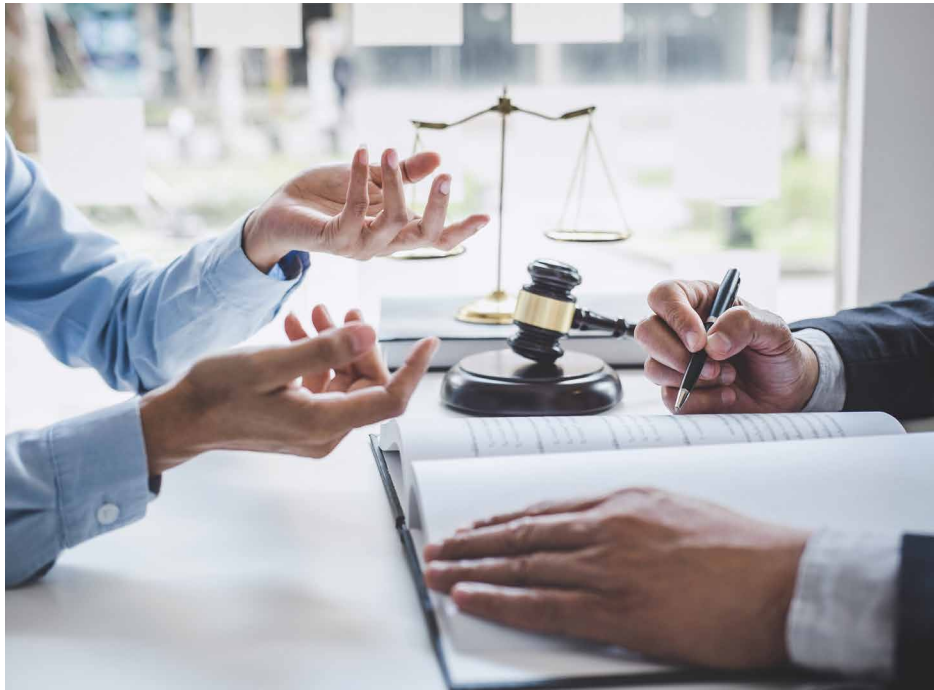
Telephone	02 407 4788
E-mail	essolR@exxonmobil.com



Reference

Securities Registrar	Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand Telephone: 02 009 9999 (SET Contact Center) Website: http://www.set.or.th/tsd
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Auditor	PricewaterhouseCoopers ABAS Limited 15 th Floor, Bangkok City Tower 179/74-80 South Sathorn Road, Bangkok 10120 Telephone: 02 844 1000
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Legal Dispute

As of December 31, 2021, the Company is subject to a variety of claims in the ordinary course of business. The Company, however, is not involved in any material litigation or legal proceedings which could impact more than 5% of the company's Equity as of December 31, 2021.

Secondary Market

- None -

Regularly Contacted Financial Institutions (in case the Company has issued debt instrument)

Bank contacts for short term Bill of Exchange

Bangkok Bank Public Company Limited	333 Silom Road, Silom, Bang Rak, Bangkok 10500
Krungthai Bank Public Company Limited	35 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110
Kasikorn Bank Public Company Limited	1 Soi Rat Burana 27/1, Rat Burana Road, Rat Burana, Bangkok 10140
Kiatnakin Phatra Public Company Limited	209 KKP Tower, Sukhumvit 21 (Asoke), Klong Toey Nua, Wattana, Bangkok 10110
CIMB Thai Bank Public Company Limited	44 Langsuan Road, Lumpini, Patumwan, Bangkok 10330
Siam Commercial Bank Public Company Limited	9 Ratchadapisek Rd., Jatujak, Bangkok 10900
United Overseas Bank (Thai) Public Company Limited	191 South Sathon Road Bangkok 10120



2021 Operational
HIGHLIGHT

2021 Refining and Petrochemical HIGHLIGHT

Esso Sriracha Refinery and the adjoining petrochemical facilities work together to produce higher-value fuels and chemical products at a competitive cost. Our operations division continuously seek opportunities to enhance margins and reduce costs with improvement projects; for example, high grading production enabled through logistic projects, operation flexibility for prompt sale opportunity, diversification of crudes and feedstock to lower raw material cost, and energy efficiency projects.

In 2021, both the refinery and the aromatics plant maintained a strong safety and environmental performance with no safety lost-time incidents and no reportable spill⁽¹⁾ during the year. The refinery and the aromatics plant **achieved 14 years without reportable spill** and **10 years without lost time incident for employees and contractors**. Furthermore, the terminal operations facilities outstandingly accomplished **28 years of no lost-time incident**.

In response to chemical downturn of paraxylene, the refinery switched operation to produce more of economic gasoline product and suspended paraxylene production from aromatic plant in April 2021. With this operation, refinery produced more of high octane mogas blending components and higher mogas production. The refinery commissioned new facilities for mogas logistic improvement projects to support higher gasoline production.

In response to demand disruption caused by the COVID-19 pandemic, the refinery kept its flexibility and timely adjusted its production in coping with changing economic conditions and local demands. **The refinery continued to optimize production** by minimizing jet fuel production and high grading to diesel. We kept lowering raw material cost by processing new crudes and opportunistic cargoes of imported unhydrofined gas oil from Singapore, increasing product margins by maximizing high value product. Fluid catalytic cracking distillates and bottoms was maximized to domestic fuels resulted in less export components which have lower prices. Another effort to maximize refining margin was on prompt adjustment of the production to capture high-margin asphalt and achieved asphalt production **in March at 5.5 KBD** which was **record high in a decade**. In terms of expenses, refinery achieved capital efficiency to be in-line with corporate-wide expense efficiency effort. In addition, **the refinery continued to utilize new and challenging crudes** that were traded at significant discounts in order to improve refining margins **9 new crudes** from Asia, Middle East and Africa were used in the production this year. In total, the refinery diversified its crude intake by employing more than **56 new crudes** over the past seven years.

Continued strong safety & environmental performance

10
years
consecutive
years without
a lost time
injury

14
years
years without
a reportable
spill

28
years
years without
a lost-time
incident at
terminal
operations
facilities

Flexible operations and capable manpowers to enable timely response to rapid change

9 new challenged crudes processed as part of continued crudes diversification

2021 crude throughput was **123** KBD

2021

Retails Fuels Sales HIGHLIGHT



Last year continued to be a challenging year for retail business due to on-going pandemic, supply and demand imbalance as well as volatility of crude and product prices. Retail operations has updated pandemic response plan and best practices to reflect new environment, while staying vigilant. We continued to strengthen practices that requires all site staff to always wear masks, maintain social distancing with customers, and apply regular hands sanitizing. We also increase cleaning frequency of key contact points such as toilets, provide alcohol gels in service stations, as well as support system for staff affected by COVID-19. The Company also rolled out new “portable Electronic Data Capture (EDC)” to improve consumer experience at forecourt with touchless payment. This includes **QR code payment and virtual Esso Smiles card via registered mobile phone numbers**. At the same time, the Company remains committed to further growing the business through strategic investments to ensure Esso is well-positioned to compete in the dynamic and competitive Thailand retail market with superior product quality and service, including consistent supply availability. Sales through the retail sales channel accounted for approximately 40% of total fuel sales volume in 2021.

The Company continued to grow its network by making appropriate investments while maintaining capital and cost discipline with more service stations newly added to the Esso network. **The total number of service stations at the end of 2021 was 731**. Thanks to the partnerships with Pure Thai Company Limited and Susco Public Company Limited to newly build or transform more service stations to Esso brand and standards. This reflects the Company’s strategy to continue expanding our retail footprint and brand presence of Esso in Thailand.

The Company continues to focus and expand its premium fuels or Esso Synergy Supreme+ throughout Esso service station network. The number of service stations offering **Esso Synergy Supreme+ Diesel and Esso Synergy Supreme+ Gasohol 95 at the end of the year were 518 and 353 respectively.**

Esso Smiles Driver Rewards Program, which allows the Company to understand the insight of its customers' behavior for better services and experiences at Esso service stations, **continued to grow with more than 3.5 million members in 2021.** Esso Thailand LINE Official Account, which helps enhance the communication with our customers, now had more than **6.7 million members** with more than 480,000 accounts linked their Esso Smiles cards to get some extra benefits.



Supporting successful fuels marketing operations, the Company continued to grow non-fuel offers by expanding existing alliance stores at its service stations and finished **2021 with 377 alliance stores across its retail network.** At the same time, the Company also enhanced backcourt offer with more consistent coffee brand through **"Coffee Journey"** stores by having a strong partnership with The Minor Food Group Public Company Limited ("Minor Food"), which is one of the leaders in the food business. At the end of 2021, there were altogether 26 branches in Esso service stations with more shops to open in 2022.

Continued to improve service station operations for our Thai community and consumers in response to COVID-19

Introduced portable **"Electronic Data Capture (EDC)"** at Esso station nationwide to enhance consumer experience as well as **supporting fully integrated touchless payment**

Continuously grew network with **731 Esso service stations** at the end of 2021

Increased availability of **Synergy Supreme+** and Marketing programs (Esso Smiles & LINE Connect)

26 Coffee Journey store at year end 2021



Last year was still a challenging year for Commercial business in Thailand due to more severe COVID-19 impact, and flooding crisis. Because of these unexpected events, industry demand in Non-Retail segment dropped by approximately 5%. However, with a strong portfolio-mix, a continual effort in **exploring new business opportunities**, a strong collaboration and supply-demand management across fuels value chain, as well as resiliency in responding to the market amidst the crisis, the Company was able to **grow sales volume by 8%**. Commercial sales represents 54% of total sales volume in 2021.

The last tier of petroleum products sales went through export within Asia Pacific region. Export volumes remained at 6% of total sales volume.



Another key imperative for Commercial business in Thailand is to grow profitable sales through premium products and high margin segments. In 2021, we **grew sales of ExxonMobil EMF.5 and Esso Diesel Efficient (EDE) by 43% and 41%** respectively while **UGR92 and Emulsified Asphalt Prime (EAP) products grew more than double**. In the Power generation segment, we captured significant sales growth from the contract with new Independent Power Producers (IPP), spot sales to national power plants, and sales opportunity in a later part of 2021 due to the natural gas shortage situation in Thailand. In 2021, Power generation segment represented approximately 4% of total portfolio (increased more than double from the previous year)

Besides, the Company has recently expanded its Aviation business into **“Domestic Airlines”** and **“Laos”**. This will improve flexibility as well as profitability in the Aviation business going forward.

To support sustainable sales growth, the Company continued to look for opportunity to expand the distribution network as well as improve efficiency at our terminals. At the end of 2021, **the Company has altogether 10 terminals across the country**. Also, facility improvement projects at Sriracha, Lumlukka, and Lampang terminals had increased loading capability, improved operational efficiency, and enhanced customer experience.



Increased sales volume by 8%
in Commercial Sales

Grew sales of 4 premium products EMF.5 and EDE by 43% and 41% respectively while UGR92 and Emulsified Asphalt Prime (EAP) grew more than double

Successfully expanded Aviation business into “Domestic Airlines” and “Laos”.

Expanded the distribution network to 10 terminals across the country to support sales growth

2021 Lubricants HIGHLIGHT



In 2021, the Company committed to delivering better products and services to fulfil consumers' and customers' needs through **Mobil Super™** product upgrade. **MobilSM Fleet Care** was launched and continued enhancing consumers' and customers' reward experiences through **Mobil Reward Workshop** and **Mobil Exclusive Reward**. Our high quality products help business owners reduce their maintenance costs through longer oil drain and help sustain environment through lower waste production.

The Company successfully launched the upgraded **Mobil Super™** range that provides better engine wear protection. The new formulation, specifically in benzene application, has proven **to provide engine wear protection up to 65%** under the latest API standard using Sequence IVB (iron wear) test. The new range meets or exceeds latest industry standard of API SP and ILSAC GF-6A, offering proven protection and value-for-money, making it easier for all car owners to care for their vehicle while taking advantage of Mobil world class technology. The popular **Mobil Super Turbospeed** sub family has also been updated to a 7-liter pack size in conjunction with the latest diesel vehicles requirements in the market. This helps reduce packaging waste.

On Commercial fleet side, the Company launched the all-new **MobilSM Fleet Care** with fleet telematics system, enabling a holistic fleet management solution on 15 September 2021. The insights from **MobilSM Fleet Care** will help contribute to overall productivity and efficiency in tandem with the Mobil lubricant products. Furthermore, Mobil Fleet Care program will enhance the fleet business operations in Thailand by connecting and directing the performance report via the LINE application, allowing operators to conveniently manage their fleets from anywhere and anytime.



The Company continues to drive brand loyalty and penetration through **Mobil Rewards Workshop** into **more than 3,000 independent car maintenance workshops**. We also enhance our **Mobil Exclusive Reward** to engage **more than 1,000 retailers** and extend to 600 commercial customers. In response to on-going COVID-19 situation, the Company offers



tools to fight COVID-19 through redeeming items such as UVC sanitizers, alcohol gel and insurance to our trade partners.

The Company has committed to bringing breakthrough products and services to our customers and striving to advance our Thai customers' mobility, productivity, and sustainability ambitions through rewarding Mobil brand experiences.

Launched the upgraded **Mobil SuperTM** range that provides better engine wear protection up to 65%

Launched the all-new **MobilSM Fleet Care** with fleet telematics system, enabling a holistic fleet management solution

Strengthened brand loyalty to more than **3,000** workshops, **1,000** retailers and **600** commercial customers



Business Operation and Performance



Business Operation and Performance

Structure and Business Operations

Policy and Business Overview

We are an integrated petroleum refining and marketing company with a full range of downstream operations - a refinery with chemical/aromatics units in Sriracha, a network of distribution terminals, nationwide service stations, and a strong lubricants presence under the Esso and Mobil brands.

We and our predecessors have operated businesses in Thailand for more than 127 years. We sell refined petroleum products to retail consumers through an extensive network of Esso branded retail service stations as well as directly to commercial customers in the industrial, wholesale, aviation and marine sectors. Our aromatics and chemical products are supplied to domestic commercial customers; we also export the products in some cases. We have strong network of Mobil Auto Care outlets which comprise of Mobil 1 Center, Mobil Express sites, and car care centers supplying our lubricants.

We are an ExxonMobil affiliate, which is one of the largest energy companies in the world. We subscribe to ExxonMobil's highly disciplined business approach with a focus on long-term fundamentals and growth in shareholder value. The benefits of being an ExxonMobil affiliate include access to expertise in crude oil and raw material procurement services, a global refined petroleum products and chemicals sales network, advanced technological, operational and engineering services, and research and development programs. We also benefit from the use of Esso and other ExxonMobil trademarks licensed from ExxonMobil, the availability of ExxonMobil affiliated management and technical personnel, and corporate support services provided by ExxonMobil.

Our refined petroleum products, which are primarily produced in Thailand, include LPG, gasoline, jet fuel/kerosene, diesel, fuel oil, and asphalt. We also sell lubricants. Prior to paraxylene production suspension in April 2021, we sold paraxylene, which is used as feedstock for the production of purified terephthalic acid (PTA), the raw material used for polyester film, packaging, resins and fabrics. Our other chemical products include solvents and plasticizers.

We own and operate a complex refinery with a capacity of 174,000 barrels per day of crude oil. Chemical facilities include an aromatics plant with a capacity of 500,000 tons per annum of paraxylene and a solvent production unit with a capacity of 50,000 tons per annum, each of which is fully integrated with our refinery operations. Our production facilities are strategically located near the Laem Chabang deep sea port in Sriracha, Chonburi province, approximately 120 kilometers southeast

of Bangkok, which is a major market for our refined petroleum products. The location of our production facilities allows the flexibility to deliver our refined petroleum products via pipeline, truck, and coastal vessel.

Vision and Mission

The Company has business objectives, vision, mission and business strategy as follows:

Business purpose:

To grow and strengthen fuels, lubricants and chemical businesses through a balanced mix of disciplined investments, operational excellence and technology with sustainability compliance

Vision: "Power Life with Premier Energy Experience"

Mission:

Our Growth : To develop globally competitive talents/employees that drive future growth

Our Win : To leverage strong integration footprint in Thailand to differentiate our products and services

Our Pride : To promote our brand value to become the company of choice



Business Strategy

Our business model is disciplined and straightforward and based on taking a long-term perspective of generating growth in shareholder value while managing operational and business risks. The key strategies associated with our business model, in line with ExxonMobil global strategies, are to:

1) Continue to drive Thailand growth, both volume and value

We are committed to drive sustainable growth supported by competitive marketing programs and enhanced customer focused offers. Digital platform data analytics will be key enablers in value generations.

The company operate with highest safety standard and sound corporate governance that also supports and cares for the communities while driving operating results.

2) Leverage integration footprint to maximize value

We are a fully integrated downstream petroleum and petrochemical business. We benefit from integration within and across our businesses, including both physical integration of facilities and virtual integration through access to ExxonMobil's vast network of technical experts.

The integration of our refining, retail, and commercial sales business is beneficial. We focus on optimizing product placement across the broad spectrum of customer segments to capture the highest value for our refined petroleum products.

3) Expand and improve logistics capability

The Company is committed to improving logistics capabilities in the terminal operations by adopting advanced technology to deliver fast and reliable service and committed to developing employees' competencies to be leader of terminal operations. We are assessed by recognized institution to be top-tier terminal, comparing with other terminals across the country.

We focus on minimizing logistics costs to create competitive advantages through business negotiations and new alliances and partnerships. Strong pipelines and terminals' networks with wide coverage across Thailand creates opportunity to reduce costs from accessing pipelines and terminals' networks. And Company continues to explore for any opportunities to expand pipelines and terminals' networks in order to improve competitiveness.

4) Sustain Operations Excellence and competitiveness

Our management system and company culture reflect our unwavering commitment to operational safety and integrity. We strive to operate with the highest industry standards in all aspects of our business.

We rely on a wide range of management systems. These systems utilize a proactive approach and cover all important aspects of our operations from safety, business ethics, finance, project execution and appraisal, business controls, security, health, environmental performance, and profit improvement initiatives.

We employ the Operations Integrity Management System (“OIMS”), which is a disciplined, systematic approach developed by ExxonMobil and provides a robust framework for managing safety, security, health and environmental risks. It enables us to measure progress and ensure management accountability for results.

We also continually strive to increase energy efficiency. We have implemented ExxonMobil’s Global Energy Management System (GEMS), a comprehensive and rigorous system of operational, maintenance, and design best practices for energy management.

We use “self-help” programs from ExxonMobil’s global network of resources that assist in identifying areas of improvement based on global best practices, particularly in relation to raw material diversification, new emerging crude processing opportunities, opportunities to further capture economic efficiencies, and new technology to debottleneck profitable units. We use these “self-help” programs to enhance margins. Our margin improvement plans



include processing more challenged crudes, optimizing the FCCU to increase its run rate, monetizing spare fuel oil viscosity capacity through the ExxonMobil network, and further improving energy efficiency.

To support the above business strategy, people and technology are the cornerstone of the success:

a) People

We considered people as one of the Company's greatest assets, as they drive success and deliver excellence for long-term value creation. People is one of the Company's mission in operation (Our Growth). The Company places importance on people development from within the organization through technical training, leadership, and challenging assignments in multiple functions around Thailand and the world. The Company develops competencies and sets clear expectations of our leaders in setting standards, creating clarity, inspiring and motivating, and promoting innovations to allow the Company to compete and win.

The Company has a good system for assessing employees' skills enabling us to develop and enhance employees' competencies for an assigned post. This includes reskill trainings, upskill trainings, classroom training and online learning from global institutions and the opportunity to learn through training or workshops among employees to share knowledge and experience. We promote a culture of health, diversity and inclusion to foster an industry-leading work environment, which contributes to a highly productive and motivated workforce. These enable us to achieve employee retention over the long term and meet our objective of being "a great place to work".

b) Innovation and Technology

We strongly believe that technology will enable the Company to promptly respond to challenging and ever-changing scenarios effectively. We invested in operating system and applications to create competitive advantage as well as adopting Agile and Design Thinking principles to evolve the way we work and improve our problem solving capabilities which will help business operation and effectively respond to customer needs.

We are leveraging technology to manage data to perform analysis, develop business strategy, and make business-related decision in a nimble and accurate manner. For example, Digital Manufacturing (DM) transformation in production process helps create accurate and timely databases by accessing remote data system for real-time analysis of operating conditions to increase efficiency and productivity while reducing costs. The use of automated fuel ordering system at our terminal helps increase speed and accuracy in delivering high quality fuels to consumers. The development of customer ordering and marketing automation systems also helps respond customers' needs more efficiently and promptly.

The Company shares ideas, technology and best practices within the global ExxonMobil network, including state-of-the-art technology to deliver premium products such as high quality engine oils and lubricants that enhance engine performance. Our commitment to continuously develop technology allows us to operate effectively, respond to customers' needs promptly and create a competitive advantage.



History and Major Development

History

We are a public limited liability company incorporated and domiciled in Thailand. We were incorporated in 1965, although parts of our businesses have operated through affiliates of ExxonMobil or their predecessors in Thailand more than 127 years. We registered our conversion to a public company with limited liability on March 12, 1996. We listed on the Stock Exchange of Thailand on May 6, 2008. ExxonMobil Asia Holdings Private Limited currently holds 65.99% of our shares and the Vayupak Fund 1, which was established in 2003 by the Ministry of Finance, holds 7.33% (as at 31 December 2021) of our shares through asset management companies.

Our refinery commenced operations in 1971 with a licensed capacity of 35,000 barrels per day. In 1985, the Government approved the expansion of our refinery's licensed capacity to 63,000 barrels per day, which we accomplished through debottlenecking. In 1991, the Government approved the expansion of our refinery's licensed capacity to 185,000 barrels. We have gradually brought our refinery's current capacity to 174,000 barrels per day through a series of improvements and upgrades.

In 1998, we began construction of an aromatics plant at the Sriracha refinery site. Construction of the aromatics plant was completed in 1999, with a capacity of 350,000 tons per annum of paraxylene. Since start-up, the operation of our aromatics plant has been integrated into our refinery. In 2004, we increased capacity to 500,000 tons per annum through low cost projects. In addition, we increased our ability to generate our own paraxylene feedstock by converting an idle powerformer unit into a transalkylation unit. The unit, which utilizes a transalkylation reaction, upgrades heavy aromatics streams and benzene to xylene feedstock, and has a capacity of 120,000 tons per annum of paraxylene equivalent.

Our solvent production unit, which transferred to us from ExxonMobil Chemical (Thailand) Limited (EMCTL) effective on September 1, 2007 commenced operations in 1990 with a production capacity of 30,000 tons per annum. As a result of several debottleneckings, it currently has a production capacity of 50,000 tons per annum. The solvent production unit is also integrated with our refinery.

In 2011, we completed our second largest investment ever, the Sriracha Clean Fuels project, and thus began production of cleaner diesel and gasoline with lower sulfur and benzene content per Euro 4 standard. It was completed ahead of schedule and below the approved budget of Baht 13 billion.

We continue to strengthen and enhance our retail sales network and brand value to provide superior value to customers. In 2016, we completed the conversion of company service stations directly operated by subsidiary Thai C-Center Company Limited (TCC) to a dealer operated model, which has helped improve cost effectiveness and flexibility. This demonstrates our efforts to further optimize our retail network, and make opportunistic enhancements to service stations while also maintaining capital and cost discipline.



Major Developments

- 1992** ● Ministry of Finance bought 12.5% stake in Esso on March 2, 1992
- 1996** ●
 - Registered as a Public Company with the registered name “Esso (Thailand) Public Company Limited” on March 12, 1996
 - Completed the construction of an asphalt unit located in SriRacha in May
- 1997** ● On November 3, 1997, the distribution unit in Sriracha was qualified for ISO 9002 standard for manufacturing process and services for asphalt products from Thai Industrial Standards Institute (TISI).
- 1998** ●
 - On March 24, 1998, His Majesty the late king Bhumibol Adulyadej granted “Garuda”
 - Constructed aromatics unit in Sriracha
- 1999** ● Aromatics plant was first commissioned. Production started in August.
- 2000** ● In December 2000, Company entered into a sales and lease back arrangement of refinery assets with ExxonMobil Chemical (Thailand) Limited. Assets were assessed by an external appraiser with a Fair Market Value of 20,834 million Baht. On the same day, the company leased the sold assets back for a 12 year period and recorded the transaction as a financing lease.

- 2001** Merged with Mobil Oil (Thailand) Limited and maintained operations under Esso (Thailand) Public Company Limited.
- 2004** Transformed the idled powerformer unit into a paraxylene feedstock production unit. The unit used Transalkylation reaction to convert heavy aromatic streams and benzene to xylene feedstocks with paraxylene equivalent capacity of 120,000 tons per annum.
- 2007** Underwent capital restructuring including a) capital injection and termination of sales and lease back arrangement b) entire business transfer of ExxonMobil Chemical (Thailand) Limited (c) capital reclassification to eliminate negative retained earnings (d) debt refinancing.
- 2008** Listed on the Stock Exchange of Thailand on May 6
- 2010** On September 15, 2010, the Ministry of Finance sold 7.33% of Esso shares to Vayupak Fund 1, which was established by the Ministry of Finance in 2003 with the same condition of other assets that sold to the fund earlier and those shares could be bought back when the Vayupak Fund 1 ended in 2013
- 2011** Completed the Sriracha Clean Fuels Project which enabled lower sulfur and benzene levels in gasoline and lower sulfur levels in diesel fuel in accordance with the Government's new standard and within target timeline on January 1, 2012.
- 2014** Company and related affiliates operated in Thailand for 120 years.
- 2016** Company completed the conversion of company service stations directly operated by Thai C-Center Company Limited (TCC), a company over which the Company has control, to a dealer operated model. As a consequence, on November 30, 2016, TCC registered its dissolution with the Department of Business Development and completed liquidation registration process with the Department of Business Development on February 28, 2018.
- 2017** Company reached an agreement with Pure Thai Energy Company Limited for the conversion of Pure-branded service stations to Esso-branded service stations. Under the agreement, Pure Thai operates the Esso-branded service stations in alignment with Esso brand standards.
- 2019**
- Completed the scheduled major maintenance of the Refinery and Aromatics plant.
 - Celebrated 125 year of operations in Thailand.
- 2020**
- Company reached an agreement with Susco Public Company Limited for the conversion of 21 Susco-branded service stations in Northeastern region to Esso-branded service stations.
 - Company, in partnership with The Minor Food Group Public Company Limited, launched Coffee Journey at Esso service station.
- 2021** Company suspended paraxylene production from Aromatics plant at Esso Sriracha refinery from April 2021. However, the Company continues to produce and supply essential fuels and chemicals solvents to the community and country. We continue to evaluate our Paraxylene operations and supply chain on a periodic basis.

The spending of fund acquired align with its purpose

The spending of the fund from the offering of debt instrument

Spending Objective	Amount of Spent Money	Spending Duration	Details
Fund for business cash flow	Total outstanding not to exceed THB 12,000 Million at any given time Outstanding balance as of December 31, 2021 at THB 500 Million	Not exceeding 270 days for each offering 29 Days	Bills of Exchange 8 th /2021 Issued date: December 23 rd , 2021 Matured date: January 21 st , 2022 (Enforced under Thai law)

The obligation to which the Company has committed in the registration statement for debt instrument offering

The Company has no financial obligation for bill of exchange as stated in short-term debt instruments offer for sale letter

Company information can be found in "General information and other important information" section (Page 8)

Nature of Business

Income structure

Our sales revenue structure consists of a downstream segment and a petrochemical segment. The downstream segment comprises primarily sales of refined petroleum products, which include light products (consisting of LPG and gasoline), middle distillates (consisting of jet fuel/kerosene and diesel) and heavy products (consisting of fuel oil and asphalt), as well as lubricants.

The petrochemical segment consists of sales of aromatics and other chemical products, which include paraxylene (prior to suspension of paraxylene production from Aromatic plant at Esso Sriracha refinery from April 2021), benzene concentrate, solvents, and plasticizers.

Sales prices for our products include the applicable excise taxes and oil fuel fund contributions, which are pass-through items, and are paid to the applicable Government authorities.

The following table sets forth our sales revenue and the percentage of total sales for each of our refined petroleum products and aromatics and other chemical products for the periods indicated.

Unit: in millions of Baht, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Revenue	% Total Revenue	Revenue	% Total Revenue	Revenue	% Total Revenue
Downstream Segment:						
<u>Light Products</u>						
LPG	3,573	2.1	3,131	2.5	5,380	3.1
Gasoline ⁽¹⁾	47,194	27.9	34,573	27.3	52,936	30.6
Total light products	50,767	30.0	37,704	29.8	58,316	33.7
<u>Middle distillates</u>						
Jet fuel/kerosene	12,339	7.3	3,823	3.0	4,602	2.6
Diesel	78,478	46.3	66,623	52.6	85,166	49.3
Total middle distillates	90,817	53.6	70,446	55.6	89,768	51.9
<u>Heavy Products</u>						
Fuel oil	8,300	4.9	5,119	4.0	9,027	5.2
Asphalt	2,227	1.3	2,665	2.1	4,694	2.7
Total heavy products	10,527	6.2	7,784	6.1	13,721	7.9
Lubricants	2,781	1.6	2,584	2.0	2,825	1.6
Others ⁽²⁾	543	0.4	813	0.7	2,165	1.4
Net income from services ⁽³⁾	713	0.4	429	0.3	464	0.2
Total downstream segment	156,148	92.2	119,760	94.5	167,259	96.7
Petrochemical Segment:						
Paraxylene	8,352	4.9	3,709	2.9	1,461	0.8
Benzene concentrate	1,269	0.8	729	0.6	475	0.3
Solvents	2,385	1.4	1,774	1.4	2,367	1.4
Plasticizers	1,092	0.6	699	0.6	1,228	0.7
Others ⁽⁴⁾	86	0.1	0	0.0	88	0.1
Net income from services	16	0.0	0	0.0	0	0.0
Total Petrochemical Segment	13,200	7.8	6,911	5.5	5,619	3.3
Total	169,348	100.0	126,671	100.0	172,878	100.0

⁽¹⁾ Gasoline also includes sales of naphtha and reformat.

⁽²⁾ Others include sales of crude oil purchased from an affiliate but resold before processing and products sold in retail stores

⁽³⁾ Net income from services comprises mainly license fees from dealers, product handling and storage fees from aviation customers which are a part of aviation sales, and rental income.

⁽⁴⁾ Others include mainly income from sales of sulfur, hydrogen and low sulfur waxy residue

Operations of each business unit

Products

Our primary products are:

- Refined petroleum products from the fractionation and refining of crude oil, primarily gasoline, jet fuel/kerosene, diesel, LPG, fuel oil and asphalt. We also sell lubricant products; and
- Aromatics and other chemical products include paraxylene (prior to paraxylene production suspension from Aromatics plant at Esso Sriracha refinery from April 2021), benzene concentrate, solvents, and plasticizers.

Refined Petroleum Products

Our refinery is capable of processing a wide range of crude oil, which we source globally, including from the Middle East, Far East, South East, USA and West Africa. Our choice of feedstock and product slates at any time depends on relative prices and yields. We decide on our product slate with input from sales and marketing personnel, based on our assessment of demand and projected prices for the various products that we can produce, typically around three months in advance of expected orders.

The following table sets forth the production volumes of our various refined petroleum products for the periods indicated.

Unit: in thousands of barrels, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Production Volume	% Production Volume	Production Volume	% Production Volume	Production Volume	% Production Volume
<u>Light Products</u>						
LPG	2,194	4.6	2,171	4.6	2,547	5.3
Gasoline	9,386	19.9	9,904	20.9	11,929	24.9
Naphtha	1,456	3.1	1,438	3.0	1,303	2.7
Reformate	6,177	13.1	6,676	14.0	2,660	5.6
Total light products	19,213	40.7	20,189	42.5	18,439	38.5

Unit: in thousands of barrels, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Production Volume	% Production Volume	Production Volume	% Production Volume	Production Volume	% Production Volume
<u>Middle distillates</u>						
Jet fuel/kerosene	4,234	9.0	1,991	4.2	1,815	3.8
Diesel	16,704	35.4	18,724	39.4	20,211	42.1
Total middle distillates	20,938	44.4	20,715	43.6	22,026	45.9
<u>Heavy Products</u>						
Fuel oil	4,191	8.9	3,746	7.9	3,980	8.3
Asphalt	891	1.9	1,229	2.6	1,669	3.5
Total heavy products	5,082	10.8	4,975	10.5	5,649	11.8
Others ⁽¹⁾	448	0.9	87	0.2	341	0.7
Refinery fuel ⁽²⁾	1,520	3.2	1,517	3.2	1,493	3.1
Total	47,201	100.0	47,483	100.0	47,948	100.0

⁽¹⁾ Comprises primarily sulfur, hydrogen and low sulfur waxy residue.

⁽²⁾ Represents product that is generated by refinery processing and used as fuel.

We also sell lubricant products, for use in vehicles and industrial applications under the Mobil brand and supply products under private brands to key alliance partners. Our lubricant products are either imported or blended domestically through a third party blender. The products are sold to authorized distributors and directly to customers.

Aromatics and other Chemical Products

Prior to paraxylene production suspension, we produce aromatics primarily in the form of paraxylene, as well as benzene concentrate. We also produce various types of solvents and we purchase plasticizers from a third party through a buy-sales agreement for the raw materials we supply to the third party.

The following table sets forth the production volume of our aromatics and other chemical products for the periods indicated.

Unit: in thousands of tons, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Production Volume	% Production Volume	Production Volume	% Production Volume	Production Volume	% Production Volume
Paraxylene ⁽¹⁾	281	63.0	200	57.3	53	40.8
Benzene concentrate ⁽²⁾	108	24.2	89	25.5	23	17.7
Solvents	28	6.3	36	10.3	38	29.2
Plasticizers ⁽³⁾	29	6.5	24	6.9	16	12.3
Total	446	100.0	349	100.0	130	100.0

⁽¹⁾ Paraxylene production suspension effective April 2021

⁽²⁾ Benzene concentrate stream, which contains benzene concentrate and other products; excludes the benzene concentrate stream that we use for the manufacture of paraxylene.

⁽³⁾ Purchased from a third party.

Paraxylene and Benzene Concentrate

Prior to paraxylene production suspension, our aromatics plant produces aromatics primarily in the form of paraxylene, using reformat, mixed xylene, and hydrogen as feedstock, and has a capacity of 500,000 tons per annum. Paraxylene is an aromatic product used to make PTA, the raw material for producing polyester film, packaging resin, and fabrics.

The Company also sells Benzene concentrate which is from Benzene heart cut stream, blended with current Isom Benzene. The target markets are both domestic and overseas customers. After paraxylene production suspension in April 2021, refinery continues to sell benzene concentrate which is produced as part of normal refining process.

Solvents

Our solvent production unit has a production capacity of 50,000 tons per annum, and produces (i) hydrocarbon solvents, primarily hexane, which is used mainly in edible oil seed extractions and as a carrier in petrochemical production, (ii) rubber solvents used as adhesives and rubber cement used in the manufacture of tires, (iii) white spirit used primarily in the coating and paint industry, and (iv) Exxosol D80 used primarily in household and industrial and metal working applications. We also import and market for resale high aromatic solvents, which are used in the automotive paint coating industry and pesticides industry.

Plasticizers

We sell phthalate ester plasticizers that are used as raw material to increase the flexibility of polyvinyl chloride.

Sales, Market and Competition

Competition

The industry in Thailand is highly competitive. There are currently six major refineries in Thailand, with a combined oil refining capacity of approximately 1,239,000 barrels per day¹ as of December 31, 2021. The other refiners in Thailand are Thai Oil Public Company Limited, Star Petroleum Refining Public Company Limited, Bangchak Petroleum Public Company Limited, PTT Global Chemical Public Company Limited, and IRPC Public Company Limited.

The paraxylene market has three main Thai participants, namely, PTT Global Chemical Public Company Limited, Thai Paraxylene Company Limited, and Esso (Thailand) Public Company Limited. Domestic consumption of paraxylene is primarily for the production of PTA. The main producers of PTA in Thailand are GC-M PTA Company Limited (formerly named Siam-Mitsui PTA), and Indorama Ventures Public Company Limited. The Company suspended paraxylene production from Aromatics plant at Esso Sriracha refinery from April 2021. However, the Company continues to produce and supply essential fuels and chemicals solvents to the community and country. We continue to evaluate our Paraxylene operations and supply chain on a periodic basis.

Source: Department of Energy Business



The retail fuels market is also highly competitive. Our principal retail competitors are PTT, Bangchak, Shell, Chevron (Caltex), and PT. We believe our Esso branded network of retail service stations, and alliances with partners such as KFC, Burger King, McDonald's, Lotus Go Fresh, Starbucks, B-Quik, MMS Bosch, and Kerry Express help increase fuel sales and complete the service offering to customers in the retail market. Especially, Coffee Journey, which was launched in 2020, was a collaboration between Minor Food and Esso to penetrate coffee

market in service station. We provide good quality coffee and beverages at affordable prices. Coffee Journey expansion plans will be both inside and outside of service stations. As for within a service station, Coffee Journey can be found only at Esso service stations. Additionally, we have launched 'go fast', "Grab & Go" store concept in 2021, which was a collaboration between Lotus's and Esso to fulfill customer offers in Esso station. 'go fast', exclusively expanded in Esso station, provides variety of drink and ready-to-eat options for customers in service station. We plan to continuously grow a numbers of stores according to sustainable growth strategy in order to serve customers with full-service offering experience. Customers can also use the Esso Smiles card to collect and redeem points to buy products at Coffee Journey and go fast.



Competitive Strengths

We believe we have the following core competitive strengths:

a) Our Complex Refinery Enhances Processing Capability

Our complex refinery configuration provides us with significant flexibility to manage crude oil intake to produce a larger portion of higher-value products using more challenged crude oil and other lower cost crude oils, and match customer demands while maximizing margins. Our refinery is configured to achieve a high hydrotreating-to-refining ratio of 89%. This ratio compares favorably with other refineries in the Asia Pacific region, based on data from the 2015 Oil and Gas Journal Worldwide refining survey and provides us with increased flexibility to use high sulfur crude and the ability to produce more low sulfur diesel.

b) We Benefit from Low Cash Operating Expenses

We operate our refinery with relatively low cash operating expenses compared to other refineries in the Asia Pacific region. Of the 71 Asia Pacific refineries participating in a 2018 survey conducted by Solomon Associates, we ranked in the second quartile for the lowest total cash operating expenses. It should be noted that Solomon Associates takes into account differences in refinery configuration so that the comparison between refineries provides a meaningful representation of performance.

The latest Solomon Associates survey was conducted in 2020. As year 2020 was impacted by COVID-19 situation, our refinery did not participate in 2020 Solomon Associates survey.

c) We Have Fully Integrated Refining and Marketing Operations

We operate an integrated refinery as well as the largest network of retail service stations among international oil companies in Thailand. Our integrated operations allow us to optimize margins. We believe that our marketing operations, which include commercial (industrial and commercial end-users, wholesalers, the aviation and marine industries, and cross-border customers), retail and export channels, provide us with diversification in our distribution channels and enables us to selectively produce and sell higher margin products. We believe our integrated operations will continue to position us well to successfully compete in a dynamic and competitive market.

d) Strategic Location

Our refinery is located near the Laem Chabang deep sea port in Sriracha, Chonburi province, approximately 120 kilometers southeast of Bangkok, the capital city of Thailand. The site benefits from its ready access to a deep sea port, road networks and a multi-product transmission pipeline, as well as its close proximity to key distribution terminals and major demand centers, which lowers transportation costs and provides several supply and distribution advantages.

Our strategic location allows us to receive crude oil shipments through our multiple point buoy mooring facilities with up to 120,000 deadweight ton (dwt) capacity and from very large crude carriers (“VLCC”) through single buoy mooring facilities owned by Thai Oil Public Company Limited to which we have access under an existing agreement.

We have desalination and reverse osmosis facilities with a combined capacity of 200 tons of water per hour as well as three cogeneration gas turbine generators and two major supplemental boilers, which run off of refinery-produced gas and produce 170 tons of steam per hour for our refinery. Our desalination and reverse osmosis facilities, cogeneration plants, and boilers are capable of generating sufficient fresh water, electricity, and steam for our refinery needs.

Sales and Marketing

We market and sell refined petroleum products and lubricants through three separate channels, depending on the product: commercial, retail, and export. The majority of our exports are made to ExxonMobil affiliates. Our retail fuel products marketed through Esso branded service stations. Lubricants are sold directly to customers and through distributors.

Refined Petroleum Products

The following table sets forth sales volume for refined petroleum products by channel for the periods indicated.

Unit: in thousands of barrels, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume
Commercial	26,463	54	22,982	51	25,797	54
Retail	20,233	42	19,912	44	19,118	40
Export*	1,971	4	2,390	5	2,748	6
Total	48,667	100	45,284	100	47,663	100

* Export sales to or through ExxonMobil Asia Pacific Pte. Ltd.

The following table sets forth the sales volume of various refined petroleum products for the periods indicated.

Unit: in thousands of barrels, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume
<u>Light Products</u>						
LPG	2,444	5.0	2,310	5.1	2,657	5.6
Gasoline	12,000	24.7	11,218	24.8	12,984	27.2
Naphtha	1,645	3.4	1,500	3.3	1,234	2.6
Reformate	3	0.0	0	0.0	211	0.4
Total light products	16,092	33.1	15,028	33.2	17,086	35.8

Unit: in thousands of barrels, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume
<u>Middle distillates</u>						
Jet fuel/kerosene	5,233	10.8	2,272	5.0	1,878	3.9
Diesel	21,822	44.8	22,404	49.5	22,255	46.7
Total middle distillates	27,055	55.6	24,676	54.5	24,133	50.6
<u>Heavy Products</u>						
Fuel oil	4,201	8.6	3,921	8.7	4,047	8.5
Asphalt	953	2.0	1,425	3.1	1,878	3.9
Total heavy products	5,154	10.6	5,346	11.8	5,925	12.4
Lubricants	191	0.4	179	0.4	194	0.4
Others ⁽¹⁾	175	0.3	55	0.1	325	0.8
Total	48,667	100	45,284	100	47,663	100

⁽¹⁾ Others include mainly sales of sulfur, hydrogen, and low sulfur waxy residue.

(a) Commercial

Sales of refined petroleum products through Commercial channels consist of sales to industrial and commercial end users, wholesalers, customers in the aviation and marine industries. The commercial sales also included cross-border sales, which we sold our products to neighboring countries such as China, Laos, Myanmar, and Cambodia.

Products sold to Commercial channels consist mainly of LPG, gasoline, diesel, fuel oil, asphalts and lubricant products. Products sold to customers in the marine industry consist mainly of fuel oil EMF.5, the low sulfur fuel oil launched in December 2019 according to the new regulations of the International Maritime Organization (IMO2020) while products sold to customers in the aviation industry consist of jet fuel sales to airlines. In 2020, we launched three additional premium products including Esso Diesel Efficient (EDE), Unleaded Regular Gasoline with 92 Research Octane Number (UGR 92 RON) for export market and Emulsified Asphalt Prime (EAP), a brand new asphalt prime for coating purposes with high permeability efficiency.





Lubricant products are sold primarily for use in Thailand in vehicles and industrial applications, under the Mobil brand and supplied under private brands to key alliance partners.

For petroleum products, forms of sales agreement we enter into may range from spot sales agreement to longer sales agreement with a term starting from 1 year and above. Meanwhile, lubricants sales agreements are contracts with a term of more than one year.

Sales through commercial channels, including cross border sales, accounted for 54% of total sales volume, reflecting product placement into higher-margin domestic and cross-border markets through integrated efforts across the downstream value chain. Growth in commercial sales helped minimize the sale of finished products through lower-margin regional export channels.

The remaining 6 % of petroleum products sold to commercial customers went through export sales channels, mainly within the broader Asia Pacific region.

(b) Retail

We are one of the six major retail fuel brands in Thailand, with a network of 731 Esso branded service stations throughout Thailand as of December 31, 2021.

The Company further expanded its retail network, making opportunistic enhancements to service stations while also maintaining capital and cost discipline. In 2017, the Company established a new collaboration with Pure Thai Energy Company Limited for the conversion of 49 Pure Thai retail sites to Esso-branded service stations. Apart from this, in 2020, the Company had a new collaboration with Susco Public Company Limited. We converted 21 Susco retail sites to Esso-branded service stations in 2020 and converted 14 more stations in 2021. With collaboration like this, it demonstrated that Esso had continually tried to find the ways to grow its retail network and expand Esso brand footprint in a cost-effective way.



In addition to these two collaborations, the remaining of Esso-branded service stations are operated by dealers. Dealers, are authorized to use the Esso trademark. We and/or our affiliates in Thailand own or lease the land on which some of these service stations are situated, and dealers are charged a monthly operating fee. Each dealer signs a service station operation agreement that sets out, among other matters, our operating standards. These agreements typically have a term of between one to five years and may be renewed. Dealer-operated service stations also include dealer-owned service stations for which the dealer owns or leases the land on which the Esso service station is situated. Dealers are charged a monthly operating fee and enter into service station operation agreements which typically have a term between ten to fifteen years.

The following table sets forth the breakdown of the different types of service stations as of the date indicated.

	Year Ended December 31,					
	2019		2020		2021	
	No. of Stations	% of Total Stations	No. of Stations	% of Total Stations	No. of Stations	% of Total Stations
Company owned	279	43.7	284	40.5	281	38.4
Dealer owned	359	56.3	418	59.5	450	61.6
All service stations	638	100.0	702	100.0	731	100.0

Our retail broad product portfolio and trusted brands represent quality and reliability. In addition, commitment to technology allows us to continue to bring new, high-performance products to market, further grow our brands, and deliver value to our customers.

▪ Synergy Fuel Technology

In 2019, the Company launched the latest new fuels technology, "Synergy", developed by ExxonMobil Research and Engineering Company using the same technology as Formula 1 racing fuel. This fuel has refined at Esso Sriracha refinery, topping up with most advanced additive fuel at terminals and passed our quality control in every process to meet the world standard before delivered to customers nationwide. Our retail fuel products comprise diesel and gasoline which are:

Gasoline:

- » Synergy Supreme+ Gasohol 95
- » Synergy Super Gasohol 95
- » Synergy Extra Gasohol 91
- » Synergy Extra Gasohol E20

Diesel:

- » Synergy Supreme+ Diesel
- » Synergy Diesel B10
- » Synergy Diesel B7

Additionally, in 2020, all of the service stations were upgraded to Synergy image, along with other facility upgrades, demonstrated the Company efforts to improve customer experience in supporting our high-quality product offering.



We strive to not only increase sales of retail fuel at Esso branded service stations, but also to increase non-fuel revenue, through various strategies, including the following:



▪ Loyalty Card Program

The Esso Smiles Driver Rewards Program loyalty program was introduced in May 2016. At the end of 2021, there are more than 3.5 million members participating in the program. The loyalty card program is the proprietary fuels loyalty program for Esso customers to earn Esso Smiles Points and convert fuel expenses into points to redeem for numerous rewards. The program helps create loyalty among customers, and helps Esso offer the right benefit to them.

▪ Esso Thailand LINE Official Account

LINE Connect offers convenience to Esso Smiles Driver Rewards members such as Roadside assistance and care for our members and the redemption of Esso Smiles Points via mobile phone through LINE application. The Company has more than 6.7 million Esso Thailand LINE Official Account members in 2021 and has 483,350 members who connect the Smiles card with our Line official account.



▪ Alliances

The Company enhanced its fuel and non-fuel income through strong alliances. We partnered with these alliances to optimize retail site profitability and provide high-quality offerings and services for customers. The Company actively expands existing alliance offers and continues establishing new relations with alliance partners. In 2020, the company established a new partnership with The Minor Food Group Public Company Limited and introduced the first coffee shop named "Coffee Journey" at Esso service station on Ramintra Km 6.5 road. Coffee Journey in the service station will be exclusive only for Esso service station. By the end of 2021, there were 26 Coffee Journey shops with plan to expand more in the future.

Furthermore, we also have more alliance partners to support our business at retail stations, including;

- » Quick Serve Restaurant: KFC, Burger King, McDonald's, Starbucks, The Pizza Company, Dunkin Donuts, Subway, Ribs & Wings, Black Canyon, Godiator Cloud Kitchen, Ya Kun Kaya Toast
- » Convenience stores: go fast, Lotus's Go Fresh, Family Mart, Mini Big C, Lawson
- » Coffee shop: Coffee Journey, Rabika Coffee, D'Oro, Roastniyom Coffee, Coffee Boy
- » Services: B-Quik, MMS Bosch, Betagro, Wizard, Quick Wash, Kerry Express, Makesend Express, Flash Express, J&T Express, Moto Express, 51 Tyreshop

The Company finished 2021 with 377 alliance stores across its retail network. Based on data published by the Department of Energy Business of the Ministry of Energy, the Company had approximately 11.6% market penetration of diesel and gasoline retail throughput in Thailand at the end of 2021.

(c) Exports

Substantially all of our products that are exported are sold to or through ExxonMobil Asia Pacific Pte Ltd (EMAPPL). Products which we export are mainly fuel oil.

Aromatics and Other Chemical Products

Our aromatics and other chemical products are sold to commercial customers domestically or exported.

The following table sets forth the domestic and export sales volumes for our aromatics and other chemical products by sales channel for the periods indicated.

Unit: in thousands of tons, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume
Domestic	328	66.0	260	66.9	163	83.9
Export	169	34.0	129	33.1	31	16.1
Total	497	100.0	389	100.0	194	100.0

The following table sets forth the sales volume of our aromatics and other chemical products for the periods indicated.

Unit: in thousands of tons, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume	Sales Volume	% of Total Sales Volume
Paraxylene ⁽¹⁾	283	56.9	198	50.8	59	30.4
Benzene concentrate	99	19.9	88	22.7	30	15.8
Solvents	86	17.3	79	20.4	80	41.1
Plasticizers	29	5.9	24	6.1	25	12.7
Others	0	0.0	0	0.0	0	0.0
Total	497	100.0	389	100.0	194	100.0

⁽¹⁾ Paraxylene production suspension effective April 2021

Paraxylene is sold primarily to PTA manufacturers in Thailand as the raw material for producing polyester film, packaging resin, and fabrics. For paraxylene that is not sold to domestic customers, we export. We may adjust our product slate to produce other products that offer better margins, depending on the economics of producing and selling paraxylene, which is based on the amount of feedstock that is available from our refinery, the market prices of external feedstock, and the market prices of paraxylene. In April 2021, Company decided to suspend paraxylene production due to over-supply outlook and poor margins. All of our solvent and plasticizer products are sold domestically.

Product Pricing

The pricing for all of our products is market-based. Pricing for all the products in Thailand will reflect in country supply and demand balance as well as Asia Pacific region. Most of refined petroleum products is generally benchmarked with Singapore spot market price for the relevant product quoted on a mean of Platt's Singapore MOPS, crude oil prices and exchange rate Baht to U.S. dollars on a daily basis.

Domestic sale prices of refined petroleum products are market driven and are generally based on the import/export parity price driven from in country supply/demand balance. Where, the ex-refinery prices for refined petroleum products in the domestic market in Thailand derived from the Singapore spot market price for the relevant product quoted on MOPS, plus the logistics costs of transporting such product from Singapore to Thailand, such as insurance, freight, import duties, ocean losses and handling.

A premium or discount may be added or deducted for certain products to account for the differences in the product quality specifications between the two locations and to account for specific domestic market conditions. For example, during a period of domestic oversupply or where there is a high level of supply in the Asian markets which reduces exports from Thailand, the domestic ex-refinery price in Thailand may be substantially lower. Our exports of refined petroleum products are also generally benchmarked to MOPS, plus or minus a premium or discount which depends on market conditions and negotiations with potential purchasers.

The price of paraxylene generally reflects the Asia Pacific paraxylene market prices and is directly influenced by levels of supply and demand. The price of paraxylene is also influenced by expectations of future capacity. The prices for our aromatic products are negotiated with our customers and generally reflect Asia Pacific paraxylene market prices.



Product Supply

Production Facilities and Processes

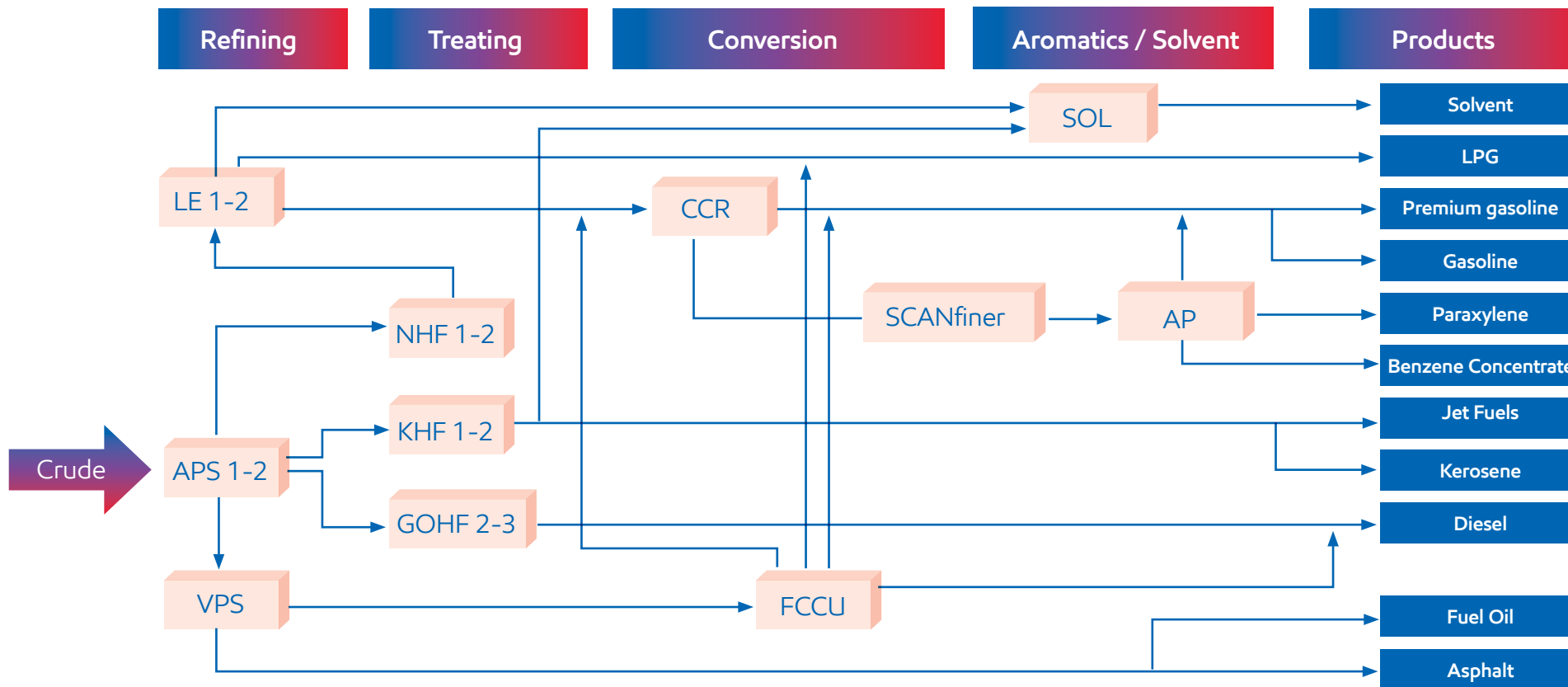
(a) Production Unit

Our production facilities are located near the Laem Chabang deep sea port in Sriracha, Chonburi province, approximately 120 kilometers southeast of Bangkok. Our refinery's main units comprise the following:

- two atmospheric pipestills (APS) that distill crude oil into various kinds of products. APS 1 has a capacity of 79,000 barrels per day and APS 2 has a capacity of 95,000 barrels per day;
- a continuous catalytic regeneration reformer (CCR), with a capacity of 27,300 barrels per day, which converts low-octane fuels into high-octane fuels for production of various grades of unleaded gasoline. A Benzene Heart-cut (FT20) is in this unit for processing Gasoline Euro 4 grade;
- a vacuum pipestill (VPS) with a capacity of 45,000 barrels per day, which produces asphalt from heavier oil off-takes from the atmospheric pipestills. The lighter oils are sent to the fluidized catalytic cracking unit;
- two gas oil hydrofiner units (GOHF), which remove the sulfur content in diesel to enable us to meet the Government specification requirements of 50 ppm. These units have an aggregate capacity of 71,000 barrels per day;
- a fluidized catalytic cracking unit (FCCU), which converts fuel oil into lighter diesel and gasoline. The unit has a capacity of 42,700 barrels per day; an aromatics plant, during the period that refinery produce paraxylene, the capacity was 500,000 tons per annum of paraxylene, which is fully integrated with our refinery. Our aromatics plant incorporates ExxonMobil's Olgone technology, which removes olefinic contaminants from the reformat feed, replacing a traditional clay treatment process. We also utilize ExxonMobil's XyMax-2 process which enables conversion of other forms of xylenes to paraxylene as the final product. After paraxylene production suspension in April 2021, the company adjusted production to produce high-octane oil as gasoline blending component to produce higher value gasoline product. The company has modified pipeline connections and gasoline blending systems to support higher volumes of gasoline production and distribution from refinery;
- our solvent production unit, which is integrated with our refinery and consists primarily of a separate distillation tower and a reactor to hydrogenate feedstock after distillation.

The following diagram illustrates the petroleum refining process and the integration of our aromatics plant with our refinery.

Plant configurations



APS Atmospheric Pipestill
 LE Light End Units
 KHF Kerosene Hydrofiner
 GOHF Gas Oil Hydrofiner
 VPS Vacuum Pipestill
 SOL Solvent Production Unit

CCR Continuous Catalytic Regeneration Reformer
 FCCU Fluidized Catalytic Cracking Unit
 AP Aromatics Plantized Catalytic Cracking Unit
 SCANfiner Hydrotreating Naphtha produced from FCCU
 NHF Naphtha Hydrofiner

(b) Overview of Refinery Production Process

By heating crude oil to a certain temperature and sending it to the atmospheric pipestills, it is possible to separate crude oil into different fractions, each with its own boiling range. Each pipestill consists of a tall vertical tower that contains layers of perforated trays. Heated crude oil from the furnace enters the pipestill towers near the bottom. The lighter boiling components rise up the tower while the heavier boiling components fall to the bottom. As the lighter components pass through the perforated trays, the oil's temperature gradually drops and vapor is condensed on the trays. The distillation of oil vapors at different temperatures produces various petroleum products such as LPG, naphtha, kerosene, diesel and fuel oil.

Light oil from the atmospheric pipestill overhead is sent to the naphtha hydrofiner, where sulfur is removed and then flows to a series of towers called the light end units. The separated components consist of a gas stream (which is used for refinery fuel), LPG and naphtha. The naphtha is further separated as light and heavy naphtha. Light naphtha is sent to the gasoline-blending unit. Heavy naphtha with low octane is sent to the continuous catalyst regeneration reformer to boost its octane by restructuring the oil molecules. A part of this oil is fed to the aromatics plant to produce paraxylene. The other part is sent to produce different grades of unleaded gasoline.

The oil from the first side stream of the atmospheric pipestill is directed to the kerosene hydrofiner to eliminate sulfur. Most of this oil is blended with additives to produce jet fuel, and the rest is used to make kerosene. The oil from the atmospheric pipestill's second



side stream is hydrofined and then blended with hydrofined oil from the third side stream to make diesel. Part of the oil from the bottom of the atmospheric pipestill is sent to a vacuum pipestill to make asphalt or fuel oil. The side stream from the vacuum pipestill is sent to the fluidized catalytic cracking unit.

The fluidized catalytic cracking unit converts the vacuum pipestill side stream of the vacuum pipestill into lighter oil by molecule cracking. After conversion, a dedicated distillation process is used to separate components into a gas stream that is used for refinery fuel, LPG, and naphtha streams that are partly reblended to produce gasoline and partly sent to the continuous catalyst regeneration reformer. The oil from the side stream of the pipestill is sent to the gasoil hydrofiner and used to make diesel. The oil from the bottom of the pipestill is then sent to produce fuel oil.

(c) Plant Maintenance

As with all refineries, our refinery is shut down periodically for scheduled turnaround maintenance and unscheduled corrective or urgent maintenance. Scheduled maintenance shutdowns reduce near-term capacity utilization but enhance product yields and quality, increase refinery safety and efficiency, reduce the possibility of future unscheduled refinery shutdowns or catastrophic failure, and extend refinery life.

We are able to draw on technical support and operational services from ExxonMobil. ExxonMobil has a regional engineering office based in Singapore, with material specialists and other specialists that support ExxonMobil-affiliated refineries in the Asia Pacific region.

Major scheduled turnaround maintenance for our refinery and aromatics plant typically requires several weeks, with more or less time depending upon the scope of activities involved.

In 2019, we completed major scheduled maintenance safely per plan and under budget. Both the refinery and aromatics plant commenced major maintenance in September and resumed operations in early November.

Previously, we conducted major scheduled turnaround maintenance in 2004, 2011, and 2019.

In between major scheduled turnaround maintenance events, we also plan minor scheduled maintenance periodically, during which our aromatics plant and/or parts of the refinery are shut down. For example, we typically shut down one of our two APS units every three to four years. Having two APSs provides us with the flexibility to continue operating the refinery with one APS while servicing the other, which helps to reduce the full impact of a shutdown.

In response to Chemical downturn for paraxylene in 2021, the refinery switch operation to produce more economic mogas product and suspended paraxylene production in April 2021. The unit was maintained under proper mothball condition, ready to operate when high paraxylene margin resumes.

Feedstocks and Supplies

(a) Crude Oil Supply

The main feedstock used in our refinery production process is crude oil. We are capable of processing a wide range of crude oil, including Middle East, Far East, South East, USA and West Africa. As our refinery has upgrading capabilities and conversion units, we are able to use a higher proportion of heavy sour crude from the Middle East, which has a higher sulfur content and is less costly than light sweet crude, to produce a product slate that matches customer demand. In addition, through the use of ExxonMobil's global crude procurement network and the application of advanced molecular fingerprinting and modeling technologies, we are able to more precisely source, select and blend crudes with properties that will further maximize margins. Our crude oil slate is determined after we decide our product slate with input from sales and marketing personnel, based on our assessment of customer demand and projected prices for the various products that we can produce, typically around three months in advance of the expected order. We then input the original and any updated information, including price information, into a sophisticated optimization modeling software system, which takes into account production constraints, to determine the optimal purchase of crude oil.

We sourced and purchased crude oil from or through ExxonMobil affiliates. Crude oil sourced from the Asia Pacific region and others are mainly purchased from or through EXTAP (a division of ExxonMobil Asia Pacific Pte Ltd) while some others imported crude are purchased from or through EMS&S (ExxonMobil Sales and Supply LLC).

The following table sets forth the volume of crude oil purchased by region of origin and the respective proportions from each region for the periods indicated.

Unit: in thousands of barrels, except for percentages

	Year Ended December 31,					
	2019		2020		2021	
	Volume	% of Total Volume	Volume	% of Total Volume	Volume	% of Total Volume
Middle East ⁽¹⁾	13,492	32.5	14,818	35.2	11,533	25.8
Far East and South East ⁽²⁾	18,594	44.7	14,732	35.0	15,814	35.3
West Africa and Others ⁽³⁾	9,482	22.8	12,557	29.8	17,380	38.9
Total	41,568	100.0	42,107	100.0	44,727	100.0

⁽¹⁾ Saudi Arabia, Kuwait, UAE, Qatar, Iraq, Yemen and Oman.

⁽²⁾ Indonesia, Vietnam, Thailand, Malaysia, Brunei, China, Philippines, Singapore, Australia, New Zealand, Papua New Guinea and Russia.

⁽³⁾ Egypt, Gabon, Chad, Nigeria, Libya, Angola, Gabon, Ecuador, Columbia, and USA.

(b) Other Refinery Feedstocks and Raw Materials

We use hydrogen in our hydro desulfurizer unit to remove sulfur from our refined petroleum products as part of the treatment process and as feedstock in our aromatics plant. We produce all of the hydrogen that we require from our refinery. We also use oxygen and nitrogen in our refining process. Both oxygen and nitrogen are supplied by a third party.

(c) Catalysts

We use various types of catalysts in our production process. We evaluate and select catalysts based on their performance and price. We have entered into various agreements with ExxonMobil Catalyst Technologies LLC ("EMCT") for the lease of various catalysts used in our refinery and aromatics plant. In addition, we have entered into an agreement with ExxonMobil Catalyst Services, Inc. for the lease of a platinum based catalyst for our refinery.

(d) Reformate and Mixed Xylenes

During the period that refinery produce paraxylene, reformate and mixed xylenes are the principal feedstocks used in our aromatics plant. Our reformate requirements are primarily supplied by our refinery. We also purchase from other domestic refiners and ExxonMobil affiliates in the region. We purchase mixed xylenes both domestically and through imports.

After paraxylene production suspension in April 2021, reformate was blended as high octane component for blending mogas production to produce higher value gasoline product.

(e) Ethanol and palm oil

We purchase ethanol from various third parties in Thailand for blending to produce gasohol. We blend ethanol at distribution terminals to produce gasohol. We purchase palm oil from domestic suppliers to produce biodiesel.

(f) Other Feedstocks and Supplies

Light virgin naphtha and kerosene feedstocks used for our solvent production unit are supplied entirely by our refinery. We purchase oxo-alcohol for plasticizers from ExxonMobil affiliates. We began to purchase lubricant products from a third party manufacturer in September 2007. To ensure product quality, the third party manufacturer mainly purchases base stock and additives from ExxonMobil affiliates.

Utilities

(a) Water

We require water to generate steam to feed the turbines of critical rotating equipment. We also use water in various parts of our production process. Total capacity from desalination and reverse osmosis facility is 200 tons per hour, which together are able to supply our production facilities with all the fresh water required for our operations. Certain areas of Thailand, including the Chonburi province can experience severe drought conditions, which can result in water shortages. Our desalination plants enable us to continue operations and minimize the impact of drought conditions.

(b) Electricity, Steam and Natural Gas

We generate our own electricity and steam using on-site cogeneration generators. We have three cogeneration gas turbine generators with an aggregate capacity of 50 MW, consisting of two 12.5 MW generators that can also each generate 40 tons of steam per hour and a 25 MW generator that can also generate 50 tons of steam per hour. We also maintain a feeder link with the Electricity Generating Authority of Thailand and the Provincial Electricity Authority as an additional backup supply of electricity. In addition to the steam from our cogeneration plants, we also have two major supplemental boilers that can each supply 20 tons of steam per hour to improve the reliability of supply. The gas turbine generators use natural gas and desulfurized gas from our refining process, which is an effective way to save energy and reduce the emission of sulfur dioxide into the air, while the two supplemental boilers use fuel oil and fuel gas from our refining process. We also purchase natural gas from PTT as supplemental fuel for our cogeneration generators under a long-term take or pay contract.

Flows and Storage

(a) Flows and Distribution

We are able to take delivery of crude oil by sea via our 120,000 dwt multi-buoy mooring system. We are also able to receive crude oil via a VLCC at Thai Oil's single buoy mooring pursuant to arrangements with Thai Oil. Crude is then delivered to storage tanks at the refinery through pipelines which connect directly to our refinery.

The strategic location of our refinery at Sriracha provides us access to a convenient product delivery network that allows us to distribute products in a cost effective manner via a multi-product pipeline, truck, rail, and coastal vessel to Thailand's main demand clusters for refined petroleum products, which include Bangkok and other regional centers throughout Thailand. The pipeline, to which our refinery is connected, is owned and operated by Thapline (in which we own an approximately 21% equity interest), and is capable of transporting jet fuel, diesel, and gasoline.

We have 10 terminals to facilitate distribution of refined petroleum products throughout Thailand. Two terminals are company wholly owned. Another 3 terminals are company owned under a joint venture with other oil companies. The other 5 terminals are distribution terminals that we use under throughput agreements with third parties.

We use the services of third parties for trucking products from distribution terminals. Our retail fuels are distributed from distribution terminals to Esso branded service stations by truck. LPG and asphalt are distributed, or collected by customers, only from our Sriracha terminal adjacent to our refinery by truck. In addition, the mooring facilities at our refinery provide convenient access which allows for the export of LPG directly from our refinery, if needed. Prior to paraxylene production suspension, paraxylene is distributed from our refinery by coastal vessels, while solvents are distributed, or collected by our customers, only from our Sriracha terminal by truck.



(b) Storage

Our refinery facilities and distribution terminals have storage tanks and facilities that enable us to store our products before delivery and to store feedstock before use.

We believe our storage facilities have sufficient capacity to accommodate normal operations, including foreseeable circumstances where we or one or more of our customers or feedstock suppliers may experience an unplanned plant shutdown for a limited period of time. We are required to hold as a legal reserve an equivalent of 4% of annual throughput of crude oil for producing refined petroleum products domestically. In addition, regulations also require a legal reserve for fuel products requirement depending on the type of fuel, for example, gasoline, diesel and fuel oil, is 1% of annual trade volume. Our inventory of products may increase from time to time, reflecting unscheduled shutdowns or other issues that prevent or delay customers from taking delivery, as well as inventory planning in advance of scheduled shutdowns and customers' inventory planning for planned production.

Environmental Matters

Our operations are subject to various environmental laws and regulations, including the Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (1992), the Factory Act B.E. 2535 (1992) and Fuel Oils Control Act B.E. 2542 (1999). In 1992, Thailand strengthened environmental laws and regulations in order to promote sustainable development and to better protect the natural environment. Laws of Thailand also contain specific provisions

regarding the Government's responsibilities and citizens' rights in managing and developing natural resources and the environment.

Environmental laws and regulations, among other matters, restrict the type, quantities and concentration of various substances that can be released into the environment. Our operations are also subject to laws and regulations relating to the generation, handling, storage, transportation, disposal and treatment of petroleum products and waste materials. These environmental laws and regulations, particularly those relating to air emissions and water discharged from our facilities and operations affect most aspects of our business, including oil refining, aromatics and chemical production, and the operation of retail service stations. The primary governmental bodies which supervise the environmental aspect of our operations are the Office of Natural Resources and Environmental Policy and Planning under the Ministry of Natural Resources and Environment, the Pollution Control Department of the Ministry of Natural Resources and Environment, the Industrial Works Department of the Ministry of Industry, and the Energy Business Department of the Ministry of Energy.

We benefit from ExxonMobil's Global Energy Management System (GEMS), a comprehensive and rigorous system of operational, maintenance, and design best practices for energy management. This process begins with a facility assessment conducted by a team of ExxonMobil technical specialists, after which representatives from the individual facilities work with the ExxonMobil team to develop a plan to improve the energy efficiency of our operations and facilities.

We have implemented various pollution control and other environmental impact mitigation measures to control waste emissions as required by applicable law, including applying advanced technologies to reduce emissions and conserve resources. Our three cogeneration gas turbine generators have low carbon dioxide emissions compared to conventional electricity generation. We have also implemented measures to preserve fresh water sources and treat waste water. Our refinery operations use and recycle fresh water produced by our three desalination plants, thus saving natural fresh water resources and energy. Our water treatment system features various units to separate oil from the water, including oil skimming tanks, an oily water separator and an induced air floatation unit, to remove oil from waste water, and an oxidation pond.

We conduct regular reviews aimed at ensuring compliance with our environmental policies. We believe we are in compliance in all material respects with environmental laws and regulations applicable to us. The Government promulgated standards for fuels that required lower sulfur (50 ppm) and benzene levels in gasoline and lower sulfur levels (50 ppm) in diesel fuel by January 1, 2012. In order to continue selling our gasoline and diesel fuel production in the domestic market, a capital investment was approved by the Board of Directors to upgrade the refinery to meet the new specification in July 2010 and was completed as per approval by January 1, 2012.

The Government in December 2019 mandated lower sulfur (10 ppm) in gasoline as well as diesel and Polycyclic Aromatics Hydrocarbon (PAH) 8 wt% in diesel by January 1, 2024. The company has studied and progress the project to comply with the January 1, 2024 mandate.



From January 1, 2020, the International Maritime Organization (IMO) imposed a limit for sulfur in fuel oil used onboard ships operating outside designated emission control areas must not exceed 0.5 wt%. Esso Sriracha refinery participated and commenced deliveries of 0.5% sulfur fuels or EMF.5 to Marine bunkers at Laem Chabang port in December 2019. This EMF.5 has been specifically formulated to meet the requirement of IMO 2020.

Strong environmental management is critical for our business and for society. Our Protect Tomorrow, Today expectations underscore our dedication to improving environmental performance, including reducing emissions and increasing energy efficiency.

The Petroleum Refining Industry

Fundamental Aspects of Refining

(a) Overview of Refining Process

Oil refining is the process of separating hydrocarbon molecules present in crude oil and converting them into more valuable finished petroleum products. Refineries are designed to process various types of crude oil and other feedstocks into selected products with the aim of maximizing refining margins and meeting customer demand. In general, the different process units of a refinery perform at least one of the following functions:

- separating the many types of hydrocarbons present in crude oil into fractions;
- converting the hydrocarbons into more desirable products;
- treating the products by removing impurities; and/or
- blending intermediate streams into finished products.

Crude oil is the primary feedstock used in oil refining. The quality of crude oil intake and refinery configuration typically influences the level of processing and conversion necessary to achieve the optimal mix of finished products. For simplicity, crude oil is classified by its density (light to heavy) and sulfur content (sweet to sour). Light sweet crude oil is more expensive than heavy sour crude oil because it requires less treatment and produces a slate of products with a greater percentage of high-priced, light refined products such as gasoline, kerosene and diesel. Heavy sour crude oil is typically sold at a discount in comparison with the lighter, sweeter crude oil because it produces a greater percentage of lower value products

and requires additional processing to produce the higher value light products. Consequently, refiners strive to process the optimal mix, or slate, of crude oil through their refineries, depending on each refinery's conversion and treating units, current and anticipated product prices, the desired product mix, and the relative price of available crude oil and other feedstocks.

The complexity of a refinery refers to its ability to process less expensive feedstocks, such as heavier and higher sulfur content crude oil, into higher value products and is dependent on the number and types of conversion units. Generally, the higher the complexity of the refinery, the more flexible the refinery will be with respect to its possible feedstock slate. In addition, a refinery's capability to process lower-cost challenged crude is enhanced by the application of crude analysis technologies. Through both complexity and advanced technology employed, the refinery can be better positioned to take advantage of less expensive crude oil, resulting in higher gross margin opportunities.



(b) Main Refining End Products

The following are the main finished products of refineries:

- liquefied petroleum gas (LPG);
- gasoline;
- distillate fuels (jet fuel/kerosene);
- diesel;
- fuel oil (residual fuel); and
- bitumen (asphalt).

(c) Economics of Refining

Oil refining is primarily a margin-based business in which a refiner's goal is to optimize the refining process and yields of all products in relation to feedstocks that are used. In a simple refinery, a greater percentage of the end products are less valuable heavy products such as fuel oil, long residue and bitumen, with the remainder being light products such as LPG, gasoline, diesel and jet fuel. Product yields depend on the type of crude oil and other feedstocks used. Crude composition is important because it determines the output structure of the refinery and ultimately its profitability. The total value of the finished products less the cost of crude oil and other feedstocks and imported utilities is known as the simple refining margin. The complex refining margin differs from the simple refining margin in that a lower proportion of heavy products are produced in a complex refinery due to equipment and technology available to

convert the lower value heavy products into the higher value light products. More complex refineries are usually able to generate a higher yield due to their ability to produce higher value products using the same, or lower, cost crude oil or other feedstocks. As a result, complex margins are generally higher than simple margins.

Thailand Refining Industry Dynamics

(a) Production

In 2021, according to the Ministry of Energy, Thailand's production of refined petroleum products totaled 370,809 thousand barrels on an annualized basis, representing a 2% decrease from 2020.



The table below sets forth the production, imports, exports and consumption of the major refined petroleum products in Thailand for each of the last three years.

Unit: barrels per day

	2019	2020	2021
LPG			
Production	190,831	174,899	180,967
Imports	17,539	17,011	17,546
Exports	9,544	7,403	5,672
Domestic demand ⁽¹⁾	209,324	182,681	194,814
Gasoline			
Production	225,487	223,738	213,450
Imports	38,689	24,212	11,824
Exports	21,113	22,537	27,753
Domestic demand	202,485	199,490	182,585
Jet Fuel			
Production	122,498	51,750	36,142
Imports	6,560	2,494	249
Exports	14,364	11,783	5,758
Domestic demand	123,261	47,171	30,586
Kerosene			
Production	35,319	28,478	28,972
Imports	0	0	0
Exports	34	140	603
Domestic demand	130	111	104

Unit: barrels per day

	2019	2020	2021
Diesel			
Production	441,806	474,393	464,301
Imports	40,905	952	4,107
Exports	65,074	98,910	111,412
Domestic demand	424,165	411,726	397,254
Fuel Oil			
Production	94,434	81,403	92,082
Imports	421	399	1,095
Exports	55,470	45,182	51,811
Domestic demand	34,227	30,398	35,130
Total production	1,110,375	1,034,661	1,015,914
Total domestic demand	993,592	871,577	840,473

⁽¹⁾ Including LPG and Propane

Source: 2021-Year Statistics, Ministry of Energy

(b) Demand

In 2021, domestic demand for refined petroleum products totaled 306,773 thousand barrels on an annualized basis, approximately 4% decrease from the prior year. Domestic demand decreased for all major products except LPG and Fuel Oil.

The table below sets forth the product mix as a percentage of total domestic demand for each of the last three years.

Unit: percentage

	2019	2020	2021
Product Mix of Domestic Demand:			
Light ⁽¹⁾	41.5	43.8	44.9
Middle ⁽²⁾	55.1	52.7	50.9
Heavy ⁽³⁾	3.4	3.5	4.2
Total domestic demand	100.0	100.0	100.0

⁽¹⁾ Light product includes LPG and gasoline (no reformate).

⁽²⁾ Middle product includes jet fuel, kerosene, and diesel.

⁽³⁾ Heavy product includes fuel oil.

Source: 2021-Year Statistics, Ministry of Energy

(c) Supply

There are currently six major refineries in Thailand with a combined oil refining capacity of 1,239 KBD. These include Bangchak Petroleum Public Company Limited ("Bangchak"), Esso (Thailand) Public Company Limited ("ESSO"), PTT Global Chemical Public Company Limited ("PTTGC"), Star Petroleum Refining Company Limited ("SPRC"), Thai Oil Public Company Limited ("Thai Oil"), and IRPC Public Company Limited ("IRPC"). Bangchak and Esso operate retail service stations under their own brand, and through which they distribute their refined petroleum products.

The table below provides certain capacity of the six major refining companies in Thailand.

Refinery:	Current Capacity (kbpd)	Configuration
ESSO	174,000	Complex
TOP	275,000	Complex
BCP	120,000	Complex
IRPC	215,000	Complex
PTTGC ⁽¹⁾	280,000	Complex
SPRC	175,000	Complex
Total	1,239,000	

⁽¹⁾ Capacity of PTTGC includes crude refining capacity of 145 KBD and condensate splitter of 135 KBD.

Source: Department of Energy Business, except for capacity figures for Esso, which is based on maximum rated capacity (Stream Day basis)

(d) Retail Marketing Industry

The distribution of retail fuel products in Thailand, namely, diesel and gasoline, is carried out through a network of retail service stations. The industry is highly competitive and is fragmented, with small and independent retailers representing approximately 73% of the number of service stations as of December 31, 2021. However, major retailers, namely, PTT, Esso, Shell, Bangchak, PT, Susco and Chevron (Caltex) had a combined market penetration of more than 90% in terms of throughput volumes in 2021.

Numbers of service stations as of December 31, 2021 for each retailer are;

	PTT ⁽¹⁾	Esso	Shell	Bangchak	PT	Susco ⁽²⁾	Chevron	Others
Number of stations	2,312	731	667	1,277	2,167	211	434	21,070

⁽¹⁾ Including PTT, PTTOR, and PTTRM

⁽²⁾ Including Susco Dealer

Source: Department of Energy Business

Other than refined petroleum products, service stations provide a range of additional services in the form of convenience stores, the sale of car accessories and lubricants, vehicle repair services, and car washes. Non-fuel income and fuel sales are especially important in competitive markets where marketing margins are low.

Government Regulations

Key Regulations Relating to Our Refinery

(a) Pricing of Refined Petroleum Products and Price Stabilization

Domestic sales prices of refined petroleum products are market driven, generally based on Import Parity Price. This price refers to the ex-refinery price of the refined petroleum product in the domestic market as reflected by the Singapore spot market price for the relevant product quoted on MOPS, plus the logistics costs of transporting such product from Singapore to Thailand, such as insurance, freight, import duties, ocean losses and handling. A premium or discount may be added or deducted for certain products to account for the differences in the product quality specifications between the two locations and to account for specific domestic market conditions. For example, during a period

of domestic oversupply or when there is a high level of supply in the Asian markets which reduces exports from Thailand, the domestic ex-refinery price in Thailand may be substantially lower.

The ex-refinery wholesale price also includes relevant excise and municipal taxes, oil fuel fund contributions, the energy conservation promotion fund contributions imposed by the Government, and value added taxes. Taxes and fund contributions are collected as pass-through items by Thai refineries and are then forwarded to the applicable Government authorities.

Export sales of refined petroleum products are generally priced on an Export Parity basis. This means that the ex-refinery price of the refined product for export generally reflects the Singapore spot market price for the relevant product quoted on MOPS, plus or minus a premium or discount that is subject to the market conditions at the time and negotiations with potential purchasers to account for differences in petroleum product quality.

Previously, the government had controlled over domestic sales of liquefied petroleum gas (LPG), which is mainly used as a household gas and in the transport sector. The government has required all liquefied petroleum gas producers including the Company to sell

liquefied petroleum gas at the ex-refinery wholesale price to the buyer at a controlled price inclusive of excise taxes, municipal taxes and VAT. The Energy Policy and Planning Office (EPPO) announces the wholesale price of liquefied petroleum gas that the government controls on a bi-weekly basis. The price of liquefied petroleum gas has been gradually adjusted according to the free market, which is based on global market prices. This is in accordance with the energy policy dated July 5, 2017, which will allow the price of liquefied petroleum gas ex-refinery to float starting from August 2017 onwards

(b) LPG Exports

In addition to the de-regulations of the LPG ex-refinery price, the Government moves another step closer to a free market by allowing the export of LPG by domestic producers, however such exports are still required an approval from the Department of Energy Business as well as are subjected to pay some amount to the oil fuel fund. The export LPG may impact revenues, depending on export prices relative to domestic prices.

(c) Legal Reserve Requirement

Pursuant to the regulations of the Energy Business Department of the Ministry of Energy issued in 2006 and amended in 2015, by virtue of Oil Trading Act B.E. 2543, each Thai refinery is required to hold as a legal reserve an equivalent of 6% of its annual throughput of crude oil for producing refined petroleum products domestically. The reduction was announced to 4%, effective from May 1, 2020 according to the announcement of the Department of Energy Business (DOEB) as of April 13, 2020 and is extended until December 31, 2022. In addition, the regulations also require a legal reserve for fuels produced at rates prescribed depending on the type of fuel, for example, the requirement for gasoline, diesel, aviation jet A1,

fuel oil, and liquefied petroleum gas (LPG) is 1% of annual trade volume. Effective from January 1, 2022, a legal reserve for LPG is 2%.

(d) Oil Fuel Fund and Energy Conservation Promotion Fund

The State Oil Fund Act of 2019 was promulgated on May 27, 2019 to remedy and further prevent the shortage of oil supply and to stabilize the domestic retail price in light of the rapid increase of the global price of oil fuels and to minimize any adverse effect on the economy. The operators of oil fuel production and distribution are obligated to make contributions to the fund in accordance with the volume produced or distributed at the rate levied by the Energy Policy and Planning Office (EPPO). The remittance to the fund is made under the supervision of the Excise Department, the Customs Department, and the Energy Fund Administration Institute.

The energy conservation promotion fund was established pursuant to the Energy Conservation Promotion Act B.E. 2535. The fund was created to meet the requirements for working capital and expenditures, to support or promote the activities relating to energy conservation and to protect against and mitigate any adverse impact resulting from the development and utilization of energy. The operators of oil fuel production and distribution are obligated to make contributions to the fund at the rate prescribed by NEPC. The Excise Department, the Customs Department, and the Mineral Fuels Department are in charge of collecting the contributions to the fund.

(e) Product Specification

The Government has imposed stringent environmental compliance regulations on petroleum products. The regulations, issued pursuant to the Fuel Oil Trading Act B.E. 2543 by the Department of Energy Business of the Ministry of Energy, as successor to the Director-General

of the Commercial Registration Department of the Ministry of Commerce, require significant changes in the quality of refined petroleum products including, among other things, the reduction of lead content in unleaded gasoline and diesel.

The Government has imposed significant changes in relation to the quality of refined petroleum products, including the reduction of lead content in unleaded gasoline and diesel. Pursuant to the regulations of the Energy Business Department pertaining to the specifications and qualifications of gasoline, the amount of lead in each type of gasoline, including gasohol, e.g. Gasohol 95, Gasohol 91, and Gasohol E 20, must not exceed 0.013 grams per litre. From January 1, 2012 onwards, the quantity of lead contained in gasoline must not exceed 0.005 grams per litre, the proportion of sulfur must not exceed 0.005 gram of its weight, and proportion of benzene must not exceed 1.0% of its weight.

Pursuant to the regulations of the Energy Business Department pertaining to the specifications and qualifications of diesel, the proportion of sulfur contained in high-speed diesel must not exceed 0.035% of its weight. From January 1, 2012, the proportion of sulfur contained in high-speed diesel must not exceed 0.005% of its weight. In addition, the regulations of the Energy Business Department also require that from January 1, 2012 onwards, the proportion of polycyclic aromatic hydrocarbons (Polycyclic Aromatics Hydrocarbon: PAH) must not exceed 11% of its weight.

On 22 December 2020, the Energy Business Department issued new specifications and qualifications of sulfur contained in all gasoline grades must not exceed 0.001% of its weight as well as of all diesel grades must not exceed 0.001% of its weight and PAH not exceed 8% of its weight with an effective date of January 1, 2024.

Product specifications may vary from product to product and may depend on the purposes for which the product is to be used. For example, refined petroleum products for export purposes may be exempt from compliance with the stringent specification and quality control in Thailand.

The Thai Cabinet Resolution approved a new strategy to solve Thailand's energy shortages by promoting the use of compatible energy sources in place of oil. Compatible energy sources include gasohol, bio-diesel

Key Regulations Relating to Service Stations

(a) Fuel Oil Trading Act B.E. 2543

The Fuel Oil Trading Act B.E. 2543 provides that an oil trader that operates an oil trading business by setting up a service station must file an application for registration with the Director-General of the Department of Energy Business of the Ministry of Energy. The Director-General is empowered to issue notifications prescribing the properties and qualities of fuel oil that the oil traders can sell or possess for sale. Such notifications are applicable nationwide.

(b) Fuel Oil Control Act B.E. 2542

In addition to the registration requirements under the Fuel Oil Trading Act of the Fuel Oil Control Act B.E. 2542 and relevant ministerial regulations further require that the operators of service station businesses, a controlled business, must notify or seek permission from the Department of Energy Business of the Ministry of Energy before engaging in such business, and must comply with the rules stipulated thereunder, such as the rules regarding control of vapor of fuel oil kept in service stations to prevent and resolve air pollution.



Operating Assets

Fixed Assets

As of December 31, 2021, the net asset value of the Company and subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Assets	Net asset value after deducting depreciation and amortization as of Dec 31, 2021
Land	4,946
Building, Plant, and Equipment	17,042
Construction in progress	1,718
Total net tangible asset value	23,706

As at 31 December 2021, the cost of fully-depreciated property, plant and equipment of the Company, that were still in use amounted to Baht 20,060 million and Baht 19,733 million, respectively (2020: Baht 14,793 million and Baht 14,466 million).

Net asset breakdown by business segment as of December 31, 2021 is as follows:

Unit: Million Baht

Assets	Net asset value after deducting depreciation and amortization as of Dec 31, 2021
Downstream	23,457
Petrochemical	249
Total net tangible asset value	23,706

There are no Esso assets pledged as collateral.

Insurance

Our significant insurance policies include property all risks, third party liability and marine cargo insurance. Substantially all of our insurance policies are insured by Bangkok Insurance Public Company Limited. We do not carry business interruption insurance. We review our insurance coverage periodically to determine whether our perceived risks are adequately covered.

Under our property all risks insurance policy, we are insured against loss or damage to certain significant properties including production facilities, certain distribution terminals, inventory, certain office buildings, equipment, and major systems in the amount of US\$570 million per occurrence.

Our third party liability policy covers our legal and contractual liabilities to other parties arising out of personal injury or death, property damage, and advertising in the amount of US\$150 million for general annual aggregate third party liability and US\$1,000 million for aviation related annual aggregate liability. Our marine open cargo insurance covers loss or damage during loading and transportation of products by air, sea and land, in the amount not to exceed US\$110 million for one vessel or one cargo trip.

Except for the legal liability insurance policy for the operation of Category 3 Controlled Activities under Fuel Oils Control laws, all of the above insurance policies are subject to deductibles. Some of our insurance coverages do not extend to war or acts of terrorism, among



other exclusions.

Intangible Assets

As of December 31, 2021, the net intangible asset value of the Company and subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Intangible assets	Net asset value after deducting amortization as of Dec 31, 2021
Royalties and Licenses	19
Computer software	134
Total net intangible asset value	153

In addition to the above Royalties and Licenses and Computer software, the Company also has other intangible assets and other rights as of December 31, 2021 as listed below:

Long term lease agreement

The Company leases land under long term lease agreements with subsidiaries including Industry Promotion Enterprises Limited (IPEL), United Industry Development Company Limited (UIDC) and Pacesetter Enterprises Limited (PSE). The Company is eligible to make use of land with an approximate area 526,673.6 sqm for our service stations and approximately 205,000 sqm for our distribution terminals.

Under the lease agreements, United Industry Development Company Limited (UIDC) and Pacesetter Enterprises Limited (PSE) agree to lease land to the company for an approximate 30 year period. Rental fees are set as cost plus basis were set in each lease agreement.

For the lease agreement with Industry Promotion Enterprises Limited (IPEL), rental periods are different in each agreement. The Company has the right to extend the lease period when the agreement expires. Rental fees are paid on an annual basis.

As of December 31, 2021, the net land value of the Company and subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Land (by company)	Net land value as of Dec 31, 2021
The Company	690
Industry Promotion Enterprises Limited (IPEL)	8
United Industry Development Company Limited (UIDC)	3,041
Pacesetter Enterprises Limited (PSE)	1,207
Total land value	4,946

Right-of-use assets

As of December 31, 2021, the net right-of-use asset of the Company and Subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Right-of-use assets	Net value as of Dec 31, 2021
Properties	3,871
Motor Vehicles	341
Equipment	93
Total Right-of-use assets value	4,305

BOI privilege

The Company received two investment incentive certificates for business operations from the Board of Investment (BOI) in accordance with Board of Investment criteria by virtue of the Investment Incentive Act B.E. 2520 as follows:

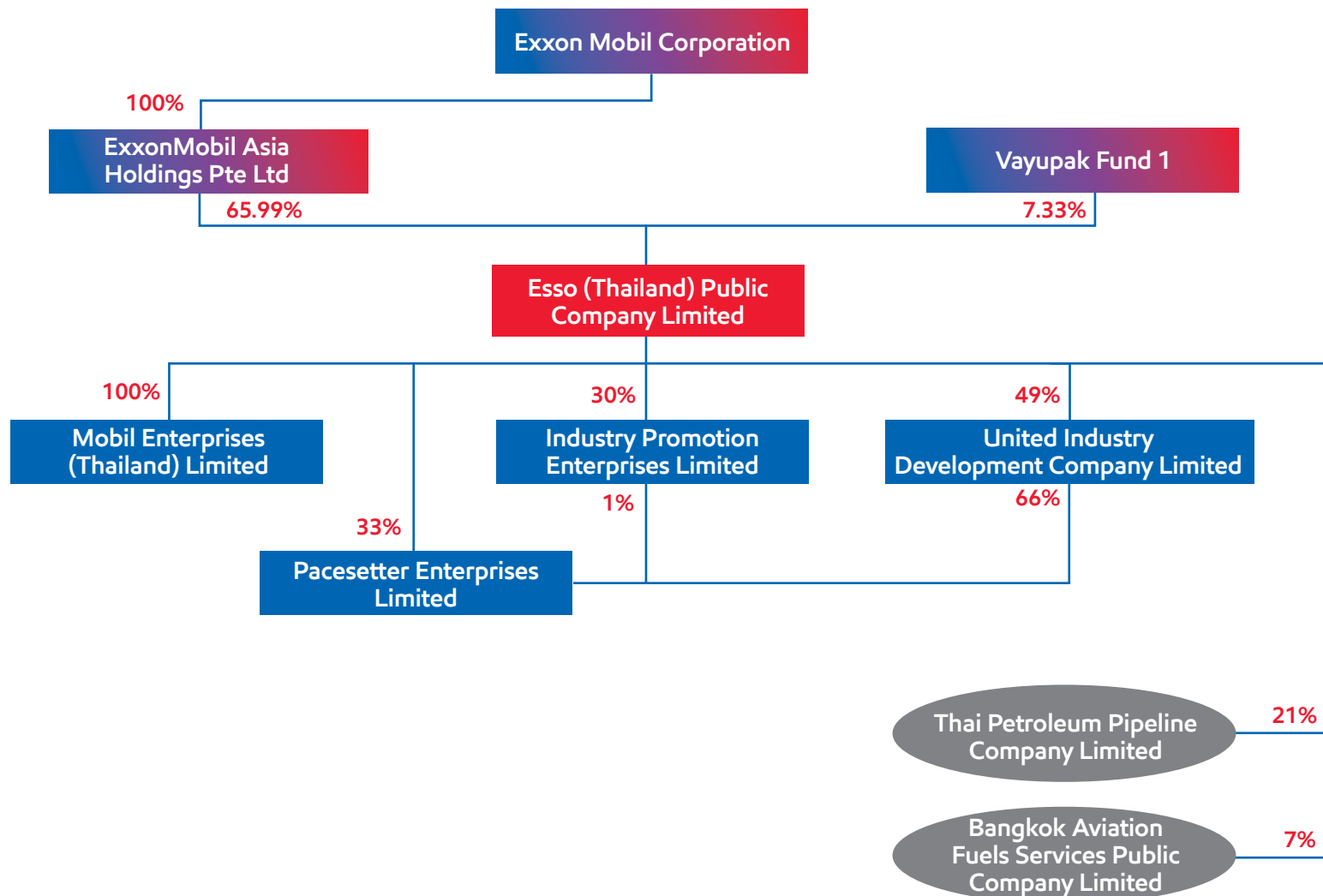
- (1) Petroleum product production on July 16, 1992, with a refining unit of approximately 82 KBD. Rights and benefits received by the Company from the Board of Investment (BOI) for the promoted business are in accordance with conditions stipulated in the investment incentive certificate

In 2020, Company received additional privileges under the above incentive certificate for import of machinery used to improve fuel quality for Euro 5 specification from December 27, 2019 to October 31, 2023, with the condition that the fuel quality improvement project must be completed by December 31, 2023.
- (2) Paraxylene production in the category of petroleum chemical products production in Thailand on January 16, 1998 with respect to the construction of an aromatics plant adjacent to the Company's Sriracha refinery. The plant had paraxylene production capacity of approximately 350,000 tons per annum. The Company was allowed to expand the plant capacity to 420,000 and 540,000 tons per annum on June 15, 2001 and July 23, 2003, respectively.

Shareholding Structure

Shareholder Structure

The following chart shows the shareholding structure of the companies we own either directly or indirectly as of December 31, 2021.



The Company is an Exxon Mobil Corporation affiliate. ExxonMobil Asia Holdings Pte Ltd owns 65.99% and the Vayupak Fund 1, which was established by the Ministry of Finance, owns 7.33% (3.67% held by Vayupak Fund 1 by MFC Asset Management Public Co., Ltd and 3.67% held by Vayupak Fund 1 by Krung Thai Asset Management Public Co., Ltd). The remaining 26.68% ownership is publicly held.

As of December 31, 2021, the Company has subsidiaries, associated companies and related companies as follows:

Industry Promotion Enterprises Limited (IPEL)'s business operation is to rent out plots of land to the Company under long term lease agreements. As of December 31, 2021, the registered capital of IPEL is THB 3,333,400. IPEL's shares consist of common shares and preferred shares. All of IPEL's common shares, equaling 30% of all issued shares, are held by the Company. All of IPEL's remaining preferred shares are held by employees of the Company and/or employees of Exxon Mobil Corporation affiliates. In terms of accounting, IPEL's performance is included in the Company's consolidated financial statements.

United Industry Development Company Limited (UIDC)'s business operation is to rent out plots of land and office building to the Company under long term lease agreements. As of December 31, 2021, the registered capital of UIDC is THB 10,000,000. UIDC's shares consist of common shares and preferred shares. All of UIDC's common shares, equaling 49% of all issued shares, are held by the Company. All of IPEL's remaining preferred shares are held by employees of the Company and/or employees of Exxon Mobil Corporation affiliates. In terms of accounting, UIDC's performance is included in the Company's consolidated financial statements.

Pacesetter Enterprises Limited (PSE)'s business operation is to rent out plots of land to the Company under long term lease agreements. As of December 31, 2021, the registered capital of PSE is THB 10,000,000. PSE's shares consist of common shares group A and common shares group B. About 33 % of all issued shares are held by the Company. In terms of accounting, PSE's performance is included in the Company's consolidated financial statements.

Mobil Enterprises (Thailand) Limited (METL)'s business is to sell petroleum products and provide fuels transportation services; however, METL is currently dormant. As of December 31, 2021, the registered capital of METL is THB 3,333,000. Approximately 100% of all issued shares are held by the Company.

Thai Petroleum Pipeline Company Limited (THAPPLINE) operates a petroleum pipeline to transport clean products from the Company's refinery and Thai Oil Public Company Limited's refinery in the Sriracha area to Bangkok's International airports (Don Muang and Suvarnabhumi) and to terminals in Lumlukka and Saraburi. As of December 31, 2021, the registered capital of THAPPLINE is THB 8,479,000,000. THAPPLINE's shares consist of common shares and preferred shares. About 21% of all issued shares are held by the Company.

Bangkok Aviation Fuels Services Public Company Limited (BAFS), a listed company in the Stock Exchange of Thailand, provides aircraft fuel services including aviation fuel depot and aircraft refueling services. As of December 31, 2021, the paid up capital of BAFS is THB 637,496,153. About 7% of issued and paid up shares are held by the Company.

General information of Subsidiaries, Associated and Related Companies:

Company Name and Address	Business	Registered Capital (Baht)	Shareholding (%)
Mobil Enterprises (Thailand) Limited (METL) 3195/17-29 Rama IV Road, Klong Ton Klong Toey District, Bangkok 10110 Telephone: 02 407-4000	Currently dormant	3,333,000	100
Industry Promotion Enterprises Limited (IPEL) 3195/26 Rama IV Road, Klong Ton Klong Toey District, Bangkok 10110 Telephone: 02 407-4000	Real estate leasing	3,333,400	30 ⁽¹⁾
United Industry Development Company Limited (UIDC) 3195/27 Rama IV Road, Klong Ton Klong Toey District, Bangkok 10110 Telephone: 02 407-4000	Real estate leasing	10,000,000	49 ⁽¹⁾
Pacesetter Enterprises Limited (PSE) 3195/27 Rama IV Road, Klong Ton Klong Toey District, Bangkok 10110 Telephone: 02 407-4000	Real estate leasing	10,000,000	33 ⁽²⁾
Thai Petroleum Pipeline Company Limited (THAPPLINE) 2/8 Moo 11, Lumlukka Road, Ladsawai, Lumlukka, Pathumthani 12150 Telephone: 02 991-9130	Petroleum products pipeline transportation	8,479,000,000	21
Bangkok Aviation Fuels Services Public Company Limited (BAFS) 171/2 Moo 10, Vibhavadi Rangsit Road, Sikan, DonMuang District, Bangkok 10210 Telephone: 02 834-8900	Aircraft refueling services	637,496,657	7

⁽¹⁾ The remaining preferred shares are held by employees of the Company and/or ExxonMobil's affiliates.

⁽²⁾ The remaining shares are held by UIDC and IPEL.

Parties with Conflict of Interest

- None -

Relationship with Major Shareholder and subsidiaries

As one of Exxon Mobil Corporation's affiliates, the Company utilizes ExxonMobil's highly disciplined approach to its business and operations. The Company benefits from extensive operational, technological and administrative support from Exxon Mobil Corporation. The Company benefits from Exxon Mobil Corporation's global crude purchasing capabilities and scale to achieve a cost-effective and reliable crude supply. Moreover, access to Exxon Mobil Corporation's global refined petroleum products and chemicals sales information network allows the Company to achieve optimal net realizations for its products.

As the party to Standard Research Agreement with ExxonMobil, the Company has access to extensive research and development conducted by ExxonMobil and the resulting intellectual property. As ExxonMobil continually develops and deploys new technology, the Company is able to use proprietary ExxonMobil technology. The Company benefits greatly from the use of "Esso" and other ExxonMobil trademarks licensed from ExxonMobil.

ExxonMobil affiliates also provide the Company with cost-efficient technical and business-support services including technical personnel and corporate support services e.g. accounting, customer services, human resource services, and information services.

The Company's relationship with Exxon Mobil Corporation and its affiliates allows the Company access to highly qualified personnel, and to continually develop the competency of our employees. Some of

employees are offered opportunities to work with different ExxonMobil affiliates to broaden their experience and further develop their expertise. The Company believes that these employee exchanges help attract and retain outstanding individuals and ensure that ExxonMobil's high standards are maintained by the Company.

Shareholders

The top 10 shareholders registered in the share register book as of March 19, 2021 were as follows:

	Major Shareholders	Number of Shares	% Shares
1	ExxonMobil Asia Holdings Pte. Ltd.	2,283,750,000	65.99
2	Vayupak Fund 1 by MFC Asset Management Public Co., Ltd	146,482,500	4.23
3	Vayupak Fund 1 by Krung Thai Asset Management Public Co., Ltd	146,482,500	4.23
4	Bualuang Infrastructure Retirement Mutual Fund	28,690,700	0.83
5	South East Asia UK (Type C) Nominees Limited	18,244,845	0.53
6	Good Corporate Governance Long Term Equity Fund	14,979,300	0.43
7	K-Master Pooled Registered Provident Fund	14,705,800	0.42
8	Mr. Charn Sophonpanich	14,680,000	0.42
9	State Street Europe Limited	12,927,449	0.37
10	Social Security Office by Krungsri Asset Management PCL	12,845,100	0.37
Total		2,693,788,194	77.82

* Excluding 133,798,547 shares (3.87%) under Thai NVDR Co., Ltd.

Registered and Paid-up Capital

Common Shares

As of December 31, 2021, the Company has registered capital of Baht 17,110,007,246.71. The Company's paid-up capital is Baht 17,075,181,200.40 which comprises of 3,460,858,000 common shares with a par value of 4.9338 Baht per share

Other Shares with Different Terms and Rights from Common Shares

- None -

Shares or Convertible Securities as Underlying Securities for Issuing Mutual Funds for Foreign Investors

- None -

Issuance of Other Securities

Convertible Securities

- None -



Debt Securities

As of December 31, 2021, the Company receives approval from the Securities and Exchange Commission to offer for sale the short term debt instruments as described below:

Type of Instrument:	:	Short Term Bills of Exchange (B/E), where names of holders are specified and without any collateral
Term:	:	Not exceeding 270 days
Total Offering Size:	:	Total outstanding at any given time not to exceed THB 12,000,000,000-
Unit Price:	:	Not less than THB 10,000,000-
Offering Price:	:	Face value less a discount
Issue Date:	:	As specified on the face of the short term bills of exchange
Maturity Date:	:	As specified on the face of the short term bills of exchange (upon 270 days after Issue date). If the Maturity Date falls on a bank holiday, then the Maturity Date shall be the next business day.
Interest Rate:	:	Fixed rate
Repayment:	:	The Company shall redeem the short term bills of exchange on the Maturity Date through the paying agents.
Collateral:	:	None
Credit Rating:	:	F2(thai) Short-Term Rating by Fitch Ratings and A Stable Company Rating by TRIS Rating Co., Ltd.
Outstanding of the Bills of Exchange:	:	Baht 500 million
(as of December 31, 2021)		

Dividend Policy

The Board of Directors may recommend annual dividends, subject to approval by the Company's shareholders. The Board of Directors may, by resolution, decide to pay interim dividends as appear to the directors to be justified by Company profits. Distribution of an interim dividend must be reported to the shareholders at the next general meeting of shareholders following approval by the Board of Directors.

It is the current policy of the Board of Directors to recommend a dividend of not less than 40% of net profits after deduction of all specified reserves, subject to investment plans, applicable laws, contingencies, and other relevant considerations. The actual dividend payout ratio may vary above or below the level indicated in the dividend policy and is subject to the risks outlined in associated regulatory filings.

Company Dividend Payment

Year	2019	2020	2021
Earnings per share*(THB/share)	(0.89)	(2.29)	1.28
Dividend per share* (THB/share)	0**	0**	0***
Dividend payout ratio after deduction of legal reserve (%)	0	0	N/A

*Based on Separate Financial Statements

**Including final dividend to be proposed at the Annual General Meeting of Shareholders

*** Annual General Meeting of Shareholders to approve final dividend will be on April 19, 2022

Board of directors of each subsidiary may recommend annual dividends, subject to approval at its shareholders' meeting. The dividend payment is subject to cash flow after deduction of all specified reserves, subject to investment plans, applicable laws, contingencies, and other relevant considerations.



Risk Management

Comprehensive Risk Management

The Company's risk management framework provides a structured, comprehensive approach to identify, prioritize and manage risks across the Company. It is designed to drive consistency across risk type, and monitor key risks, including risks related to climate change. The Company has a framework designed to identify, manage and oversee risks and opportunities associated with its business and enable management to manage risks while the Board of Directors to exercise oversight responsibilities.

The Company's approach to risk management is multilayered and includes clearly defined roles and responsibilities for managing each type of risk. It includes a definition of the responsibilities of risk owners, functional experts and independent verifiers. Each risk type is managed and supported by functional units that are responsible for specifying company requirements and processes. Each of these processes includes the critical elements of leadership, people, risk identification and management, and continuous improvement. Risk management responsibilities of the Management Committee and oversight responsibilities of the Board of Directors and its committees are a key part of risk management framework.

On a quarterly basis, the Board of Directors reviews operational and financial performance including Safety, Security, Health & Environment (SSH&E) performance, to ensure operations of the businesses are based on appropriate risk control and management systems. On an



annual basis, the Audit Committee reviews mitigation of key risk areas impacted by external and internal factors and attests the adequacy of risk management processes.

Operations Integrity Management System (OIMS)

The Company is committed to conducting business in a manner that is compatible with the environmental and economic needs of the communities in which we operate, and strives to protect the safety, security, and health of its employees, those involved with its operations, its customers, and the public. These commitments are documented in the Company's Safety, Security, Health, Environmental, and Product Safety policies. These policies are put into practice through a disciplined management framework called the Operations Integrity Management System (OIMS).

OIMS provides a systematic, structured, and disciplined approach to measure progress and track accountability across business lines, facilities, and projects. In 2020, Lloyd's Register Quality Assurance, Inc. attested that OIMS is consistent with the standard on environmental management systems of the International Organization for Standardization (ISO 14001:2015) and the Occupational Health and

Safety Assessment Series for health and safety management systems (OHSAS 45001:2018). OIMS consists of the 11 elements illustrated in the following diagram. In 2021, we implemented 'Enhancing Process Safety' (EPS) to look at potential high consequence scenarios and ensure mitigation is managed effectively for both facility and human-related risk mitigation.



Control Systems

The System of Management Control Basic Standards (SMC) defines essential principles and concepts that form the foundation of the Company's business controls. The Controls Integrity Management System (CIMS) is designed to assess and measure financial and business risks. CIMS includes embedded procedures for mitigating risks, steps to monitor compliance with standards, and practices for reporting results to the appropriate operational and management groups. These company-wide controls meet or exceed the requirements of the Sarbanes-Oxley Act and NYSE listing standards.

PricewaterhouseCoopers ABAS Ltd conducted an independent assessment of the Company's internal control systems and determined they are effective. Regular self-assessments and internal audits help ensure that every operating unit consistently implements these control standards.

Risk Factors

The Company's financial and operating results are subject to a variety of risks inherent in the global and regional petroleum and petrochemical businesses. Although the Company monitors and manages these risks through the comprehensive management systems mentioned previously, many of these risk factors are not within the Company's control and could adversely affect our business, our financial and operating results, our financial condition as well as the value of our shares.

Supply and Demand

The petroleum and petrochemical businesses are fundamentally commodity businesses. This means the Company's operational and financial results, including stock gains and losses, may be significantly

impacted by changes in refined petroleum and petrochemical product prices and margins. Refined petroleum and petrochemical product prices and margins are determined by local, regional, and global events or conditions that affect supply and demand for the relevant commodity. Oil prices can fluctuate with abundant or disruptive supply.

In 2021, the outbreak of COVID-19 continued to have a negative impact on the demand for fuel products both domestically and internationally. Many countries, including Thailand, had imposed lockdown or partial lockdown measures including travel restriction which had significant impact in demand for fuel products. However, demand started to recover after lockdown easing and expanding vaccine roll-out coverage in many countries. Therefore, the Company needed to adjust its production plans in response to the change in demand conditions.

Economic Conditions

The demand for refined petroleum and petrochemical products correlates closely with general economic growth rates. The occurrence of recessions or other periods of low or negative economic growth will typically have a direct adverse impact. Other factors that affect general economic conditions in the world or in a major region, such as changes in population growth rates or periods of civil unrest, also impact the demand for energy and petrochemicals. Economic conditions that impair the functioning of financial markets and institutions also pose risks to the Company, including risks to the safety of financial assets and the ability of partners and customers to fulfill their commitments to the Company.

According to the Office of the National Economic and Social Development Council, the Thai economy grew by 1.6 percent in 2021, improved from 6.2 percent contraction in 2020, as a result of no full lockdown measures to control the spread of COVID-19 when compared with 2020 and government's continuous support economic activities in form of stimulus packages.

Other Demand-Related

Other factors that may affect the demand for oil and petrochemicals include technological improvements in energy efficiency; seasonal weather patterns, which affect the demand for energy associated with heating and cooling; increased competitiveness of alternative energy sources and changes in technology or consumer preferences that alter fuel choices such as alternative energy fueled vehicles. Government environmental policies and regulations, including those addressing greenhouse emissions and vehicle electrification, will also likely be key factors influencing demand of carbon-based fuels.

Other Supply-Related

Changes in industry refining margins, marketing margins, or increasing competitive pressures in fuels marketing and lubricants businesses also have direct impact to profitability of the Company. In particular, the intense competition within the fuels retailing business is another risk factor. Many fuel retailers have rapidly expanded their number of service stations, and have launched marketing campaigns to increase market penetration.

Commodity prices and margins vary depending on a number of factors affecting supply. For example, increases in industry refining or petrochemical manufacturing capacity above demand levels tend to reduce margins. The global petroleum and petrochemical industry can also be affected by other factors that reduce available supplies, such as adherence by OPEC member countries to production quotas, the occurrence of wars, hostile actions, natural disasters, or the unexpected unavailability of distribution channels. Technological change can also alter the relative costs to produce and refine oil and manufacture petrochemicals.



Market and Financial Risks

The Company's business results are also exposed to fluctuation of currency exchange rates, interest rates, inflation, and other local or regional market conditions. We generally do not use financial instruments to manage such market exposures.

Market prices for petroleum commodities risk

Prices for crude oil and other raw materials, as well as petroleum products and petrochemical products are determined by market prices which fluctuate and are uncontrollable.

Our financial and operating performance is partly influenced by the cyclical nature of the refining and aromatic businesses. Refining and aromatic businesses experience periods of tight supply resulting in the increase of product prices and margins and periods in which production capacities increase resulting in oversupply and a decrease in product prices and margins. Significant fluctuations in crude oil prices as well as the prices of other raw materials influenced by government's direction on fuel specification and market prices may adversely impact our financial and operating performance significantly.

Dubai crude oil prices ranged from \$49.8/Bbl to \$84.0/Bbl in 2021. The average price for Dubai in 2021 was \$69.2/Bbl, higher than the same period as last year by 64.0%. The average monthly price for Dubai in December 2021 was \$73.2/Bbl, higher than December 2020 average price of \$49.8/Bbl by \$23.4/Bbl.

Compared to last year, average product prices in 2021 were higher following increased crude prices. Increases in crude and overall product prices reflected global oil demand recovery from COVID-19 pandemic and a better economic outlook.

Volatility and cyclical movement in prices for crude oil and petroleum and petrochemical products are not predictable and can significantly affect financial results. Given the large size and the long-term nature of the business, we expect that this risk will moderate over time. We do not employ the use of derivative instruments to manage the risk.

Intense Competition

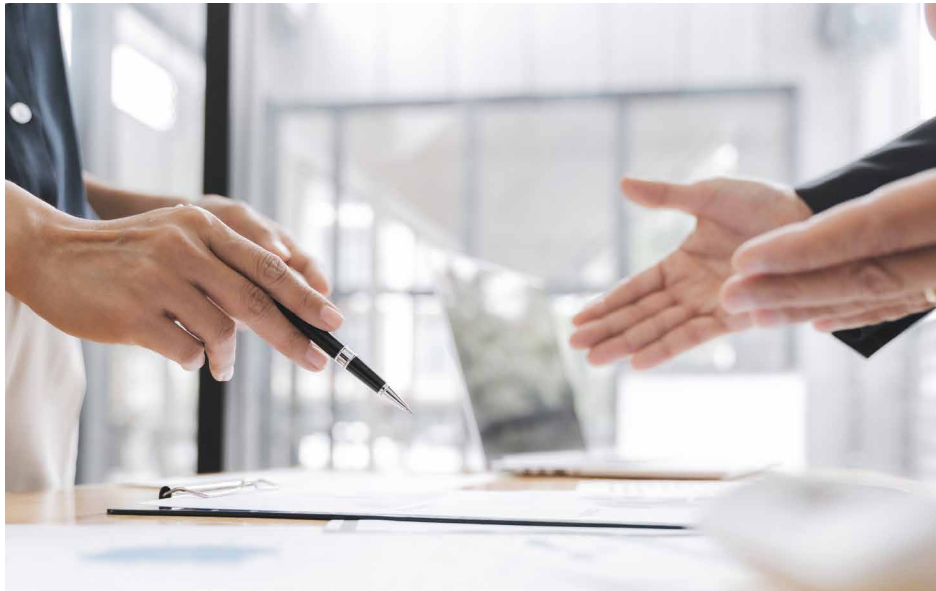
The intense amount of competition in the oil retailing business is another key risk factor. Many oil retailers have rapidly expanded their number of service stations with marketing campaigns to capture market penetration. The Company's ability to develop and deliver a competitive offer to customers as well as growing retail networks will influence sales volumes and growth.

Foreign Exchange Risks

Our activities are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. Purchases of goods and export sales are primarily transacted in US Dollars. Domestic sales are transacted predominantly in Baht, and are thus not subject to foreign exchange risk.

Commercial sales of our refined petroleum products and aromatics and other chemical products sold domestically as well as retail sales of our refined petroleum products although transacted in Thai Baht, mostly are linked to U.S. dollar-based regional refined product prices. There could be negative or positive effect due to lagged effect although we expect the impact will be moderate overtime.

As at 31 December 2021 and 2020, the Company had no short-term or long-term debt denominated in foreign currencies. In 2021, the Group did not enter into any forward foreign currency contracts. The Group's foreign exchange guidelines prohibit speculative foreign exchange transactions.



Interest rate risk

Company's borrowings are all currently floating rates which are subject to interest rate risk. The Company continuously monitors financing portfolios to ensure appropriate actions are taken if refinancing actions are warranted.

Credit risk

Credit risk primarily arises from cash and cash equivalents, and credit exposure to wholesale and retail trade customers, including outstanding receivables and committed transactions. Credit risk in respect to balances outstanding with related parties has been assessed to be low due to the overall strength of the ExxonMobil Group.

In the case of cash and cash equivalents, only independently rated banks with a minimum rating of at least BBB-, or equivalent, are accepted.

For trade customers, risk evaluations are performed internally which include reviews of financial positions, business success indicators, past experience, and other factors. Individual risk limits are set based on the resultant internal ratings in accordance with limits set by management. Risk categories are established for individual customers based on internal credit guidelines ranging from very low to very high risk. The risk categories are intended to reflect the risk of payment default by a customer and are similar to the rating scales established by external rating agencies.

Liquidity risk

The Company manages liquidity risk by maintaining an adequate operating level of cash and cash equivalent balances. In addition, the Company maintains committed credit facilities as well as a number of uncommitted credit facilities from banks and related parties. The Company reviews requirements for future cash flows through the completion of an annual finance plan process. The finance plan is completed for the forthcoming year to ensure that estimates of future requirements are analyzed such that appropriate facilities can be made available.

The Company currently has adequate financing sources. As at 31 December 2021, the Group has undrawn and uncommitted facilities of Baht 75,005 million. The Company has also received an approval from the Securities and Exchange Commission to offer for sale Baht 12,000 million of bills of exchange in a revolving program, of which Baht 500 million has been utilized as of 31 December 2021.

Liquidity risk may also arise if customers are not able to settle obligations to the Company within the normal credit term. To manage this risk, the Company periodically assesses financial viability of customers and may require certain customers to provide bank guarantees or other similar instruments.

Capital risk

The Company's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders.

In the future, the Company may adjust the amount of dividend paid to shareholders in order to maintain an appropriate capital structure. Annually, the Company completes a finance plan which seeks to establish positions for the current and future years' dividend projections.

Government Policies, Laws and Regulations

The Company's results can be adversely affected by changes in government policy, the laws that govern the Company's businesses, or other regulatory factors such as increases in taxes, restrictive permitting, price controls, changes in environmental regulations, and carbon neutral policy. In addition, the impacts can be due to the laws that increase cost of compliance, reduce or delay available business opportunities. Those include an adoption of regulations mandating the use of alternative fuels or other uncompetitive fuel components. The Company also may be adversely affected by the outcome of litigation or other legal proceedings including large and unpredictable punitive damage awards.

In 2021, the Company continued considering several potential regulatory and energy policies when evaluating future operating plans. Some examples include adoption of biofuels component adjustment, Gasohol 91 phase-out plan, ex-refinery prices formulae calculation adjustment, and LPG price mechanisms review. Furthermore, the Company is closely monitoring the direction of climate policy stated at the COP26 and its implication to the Company.

Management Effectiveness

In addition to external factors, future business results depend on the ability to successfully manage those factors that are at least in part within the Company's control. The extent to which the Company can manage these factors will impact its performance.





Operational Efficiency

An important component of the Company's performance, especially given the commodity-based nature of many of its businesses, is the ability to operate efficiently, including managing expenses and improving production yields. This requires ongoing management focus, technology improvements, cost control, productivity enhancements, and regular reappraisal of the asset portfolio.

Safety, Business Controls and Environmental

The Company faces a variety of risks associated with safety, business controls, and the environment that are inherent to the petroleum and petrochemical businesses. The Company's results depend on management's ability to mitigate these risks and effectively control business activities. We apply rigorous management systems and maintain a constant focus to minimize or eliminate risks such as workplace safety, spills or other adverse environmental events, air emissions, and cybersecurity breaches. Substantial liabilities and other adverse impacts could result if management systems and controls do not function to mitigate these risks.

Preparedness

The Company's ability to mitigate adverse impacts from natural disasters, human error, political or civil unrest, and similar events depends in part upon the effectiveness of rigorous disaster preparedness and response planning, as well as business continuity planning (BCP). The Company reviews, updates and tests the plan annually. The Company categorizes critical activities, identifies positions required to sustain critical activities, and documents the workarounds and mitigation measures in the event of disruption. These are events that we included in our BCP; loss of people, loss of facilities, loss of IT, and loss of other key external suppliers of critical activities.

Others

Dependence on Exxon Mobil Corporation and/or its affiliates for numerous services

The Company is highly dependent on Exxon Mobil Corporation and/or its affiliates with respect to several aspects of its operations, including access to expertise in crude oil and raw material procurement services, a global sales network for refined petroleum products and chemicals, advanced technological, operational and engineering services, research and development programs, trademarks and other services. We cannot assure that Exxon Mobil Corporation and/or its affiliates will continue to provide this support to us. If we were to lose the support of Exxon Mobil Corporation and/or its affiliates, or if any significant agreements with Exxon Mobil Corporation and its affiliates were terminated, and we are unable to secure alternative sources for such services or recruit additional key personnel, this could adversely affect the Company's business. Many of the agreements we have with ExxonMobil for services, technology, trademarks and other support services contain automatic termination clauses in the event Exxon Mobil Corporation directly or indirectly ceases to own or control more than 50 percent of the ownership interest in the Company. Certain pre-emption rights apply if ExxonMobil shareholders wish to reduce their aggregate shareholdings in the Company to below 50 percent.

ExxonMobil shareholders are not bound to retain any minimum interest in the Company and may reduce their shareholdings in the Company at any time. In addition, Exxon Mobil Corporation and its affiliates are not obligated to grant loans or provide any other type of financial assistance and there can be no assurance that they will do so in the future.

Conflicts of interest between our principal shareholders and us or between our majority and minority shareholders

ExxonMobil affiliates currently own a majority of our share capital. Circumstances may arise in which ExxonMobil's interests may be at variance with our interests, and our management may face potential conflicts of interest in fulfilling their responsibilities as directors and executive officers. Potential conflict areas include matters relating to the following: transactions between ourselves and ExxonMobil affiliates such as feedstock supply or sale agreements; potential competition or new ventures in the refining business; approval of potential mergers or acquisitions, asset sales and other significant corporate transactions; assurances or dispositions of securities; investment decisions and other capital expenditures; and enforcement of contract rights, payment of dividends and other distributions, and regulatory and legal issues.

Although we intend to take all reasonable measures to resolve any such conflicts of interest while protecting our own interests, we cannot assure that ExxonMobil's interests and ours will always be aligned.

ExxonMobil's interests also may not coincide with the interests of our other shareholders. ExxonMobil, through its affiliates, may exercise its voting rights and effect shareholder actions that could conflict with and may be prejudicial to the interests of our other shareholders, such as payment of dividends or other distributions.



Current and future litigation

As of the date of this 56-1 One Report preparation, there are pending litigation cases in the ordinary course of business with no materially adverse effect on the Company's business. However, any significant new litigation in the future with an unfavorable outcome (if any) could have a materially adverse effect on the Company's business.

Engaging with critics on climate change

The Company leverages its core capabilities to meet society's needs for products essential for modern life, while addressing the challenge of climate change. Our focus areas include: driving operational safety and reliability; lowering greenhouse gas emission intensity; managing cost of supply through management of cost and capital efficiency; and exploring deployment of lower-emission opportunities.

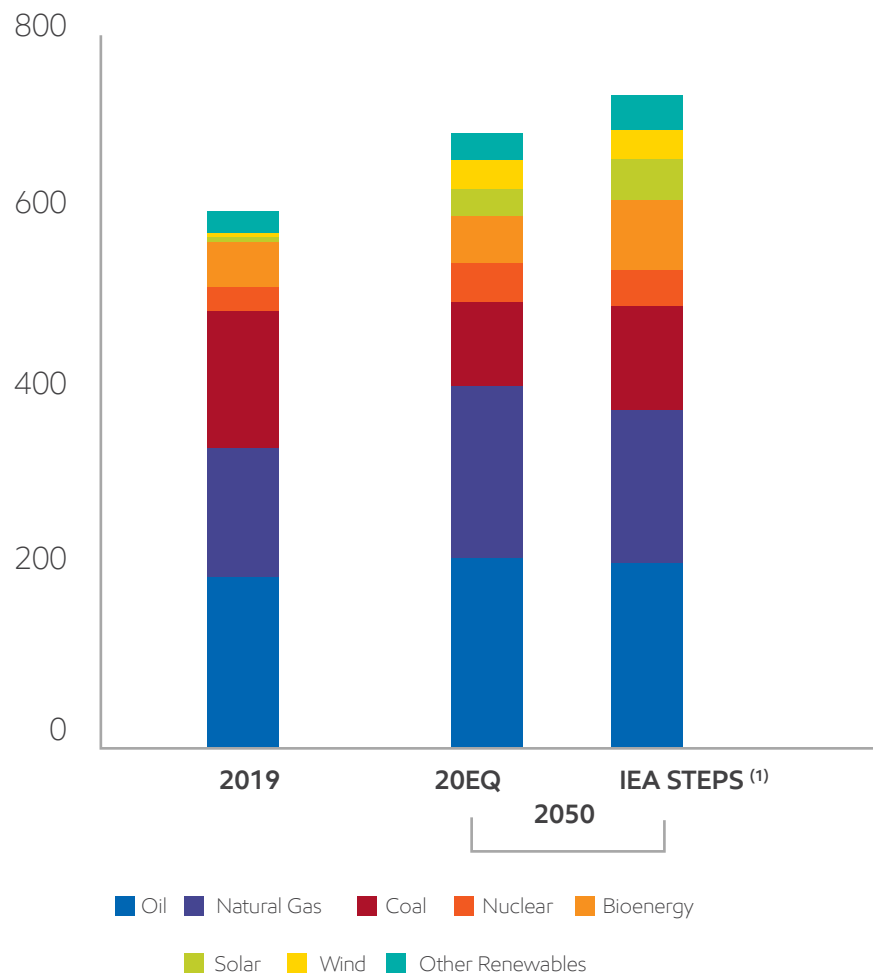
We have been leveraging on ExxonMobil's affiliates innovation and technology, supplying products people need to live healthy, prosperous lives and thrive in an ever-changing world. We are committed to continue providing and improving these critical products, supporting society's aspiration in pursuing a lower-carbon energy future while working toward the goals of the Paris Agreement, and creating greater value for all stakeholders.

Technology evolution and alternative energy

A broad range of potential outcomes for the future energy mix show that no single energy source or technology solution is sufficient to achieve a Lower 2°C pathway. All lower-emission sources play important roles, and the scenarios include unprecedented deployment of bioenergy, solar, wind, carbon capture and storage, and hydrogen. Oil and natural gas also remain a significant part of the energy mix for decades in these scenarios, reinforcing the need for continued investment.

Oil and natural gas remain important

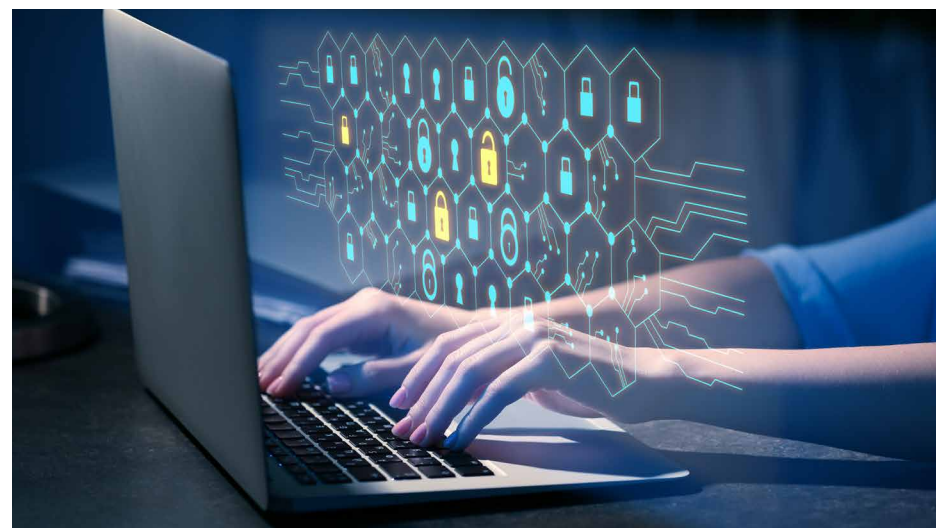
Exajoule (EJ)



⁽¹⁾ International Energy Agency Stated Policies Scenario (STEPS)
Source: EM Analysis; IEA World Energy Outlook (WEO) 2021

Cybersecurity

Cybersecurity is the body of technologies, processes and practices designed to protect networks, computers, programs and data from attack, damage or unauthorized access. Cybersecurity threats aimed at stealing Company information or damaging operational facilities are increasing, making the proper training and vigilance of all IT users an important part of our cybersecurity defenses. It is essential that all of the Company's computer users are able to recognize cybersecurity threats, and understand their role in protecting against these attacks. Therefore, cybersecurity awareness training is a mandatory annual requirement for all employees, contractors, JV workers, and third parties. Email phishing attacks are one of the largest cybersecurity risks the Company faces. As part of the Company's training and awareness efforts on cybersecurity risks, mock phishing emails are regularly sent to test a user's ability to identify suspicious emails that could be used in a cyber-attack.



Business Sustainability Development

Our Sustainability Vision

“Power Life with Premier Energy Experience” is the Company’s Vision. Our high-quality products are essential to the health and wellness of the people of Thailand and the region. That is what “Power Life” means. The way in which we achieve our vision is what a “Premiere Energy Experience” is all about. That is why we are committed to operating our businesses in a responsible and sustainable manner, supporting the communities where we operate, and supplying our products while working to minimize environmental impacts. As we continue our efforts at sustainability, we will continue our long-standing history of operational excellence, innovation and technological advancements, disciplined investment, workforce development, community engagement, and valued integration.

Addressing the United Nations Sustainable Development Goals

The United Nations has adopted the Sustainable Development Goals (SDGs) to achieve significant progress on global economic, social and environmental challenges by 2030. Although directed at governments, the private sector and civil society play an important role in support of governments’ national plans. The Company contributes to certain aspects of all 17 SDGs. In this report, the Company feature eight SDGs to which we are making significant contributions.



The Company and Sustainability

The Company is committed to producing the energy and selling chemical products that are essential to modern life and economic development, in a way that helps protect people, the environment and the communities where we operate. This includes addressing the risks of climate change. Meeting this dual challenge will be even more important in the coming decades as growing populations and global economic expansion are expected to drive energy demand higher. This report provides a summary of the key dimensions of sustainability: our environmental, social and governance (ESG) performance.



1 NO POVERTY

SDG1
End poverty in all its forms everywhere

3 GOOD HEALTH AND WELL-BEING

SDG3
Ensure healthy lives and promote well-being for all at all ages

4 QUALITY EDUCATION

SDG4
Ensure inclusive and quality education for all and promote lifelong learning opportunities for all

5 GENDER EQUALITY

SDG5
Achieve gender equality and empower all women and girls

7 AFFORDABLE AND CLEAN ENERGY

SDG7
Ensure access to affordable, reliable, sustainable and modern energy for all

8 DECENT WORK AND ECONOMIC GROWTH

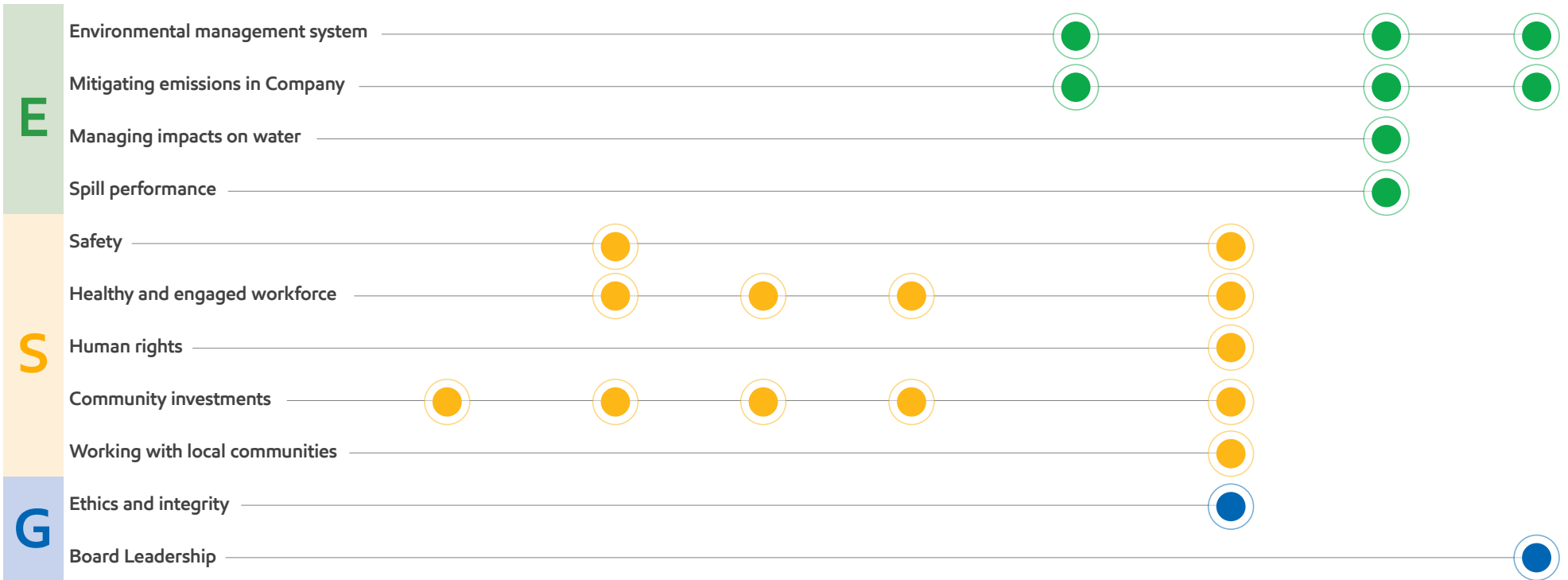
SDG8
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

SDG12
Ensure sustainable consumption and production patterns

13 CLIMATE ACTION

SDG13
Take urgent action to combat climate change and its impacts



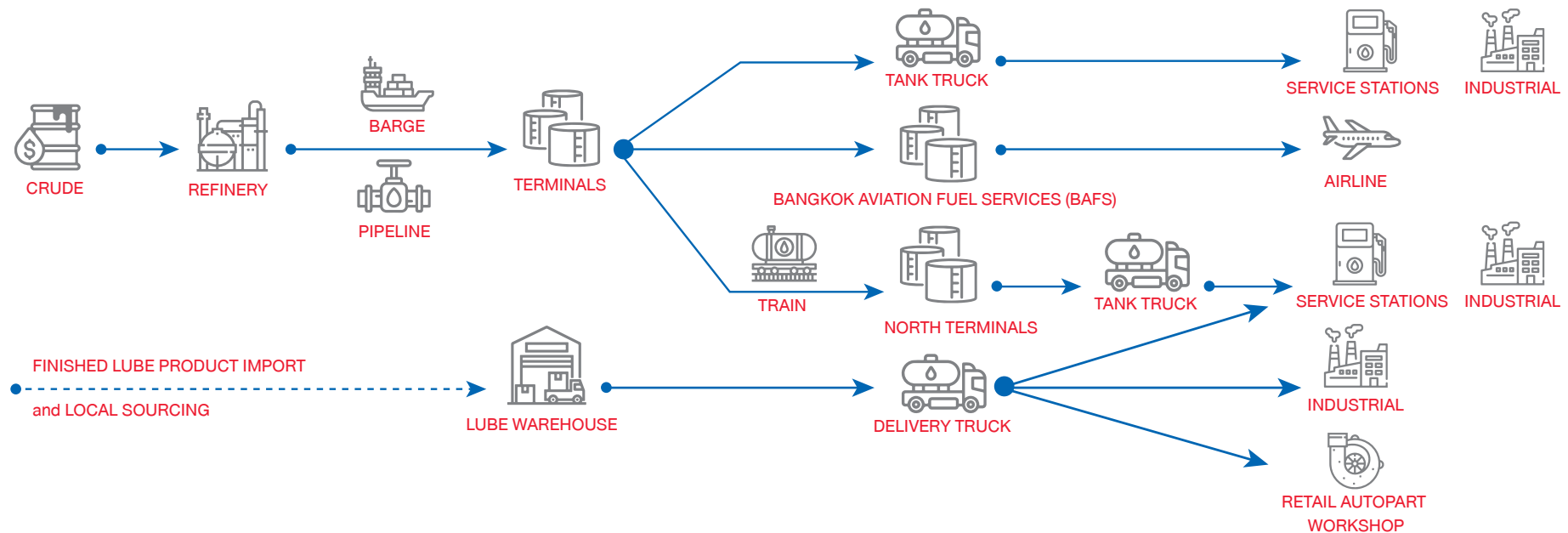
● = Environment ● = Social ● = Governance

Business Value Chain and Stakeholders Engagement

Business Overview




The Company continues to meet country's growing energy demand as well as customer expectation.





As an integrated petroleum refining and marketing company, our value chain starts from receiving crude into refinery primarily from marine transportation. Refinery transforms and refines crude into products such as liquefied petroleum gas, petroleum naphtha, gasoline, diesel, jet/kerosene, asphalt and fuel oil. Midstream operation is accountable for all aspects of terminals and pipelines operations with objective to distribute finished products to demand location in the most cost-effective manner. Sales team manages relationship with customers in different sales channel – Retail, Commercial, Supply and Finished Lubes. Each team has thorough understanding of customer needs and ensure those needs are met. Customers feedback are solicited by sales team as well as customer service agents.



Stakeholder engagement

The Company works to foster mutual understanding, trust and cooperation with stakeholder groups on sustainability topics. We interact with a variety of stakeholders via community meetings, digital and social media, and one-on-one discussions. Maintaining an open dialogue provides opportunities to listen to concerns, discuss approaches and share plans. Across stakeholder groups, from communities and nongovernmental organizations to employees and shareholders, we continue to see broad interest in our environmental, social and governance performance. The table below highlights our key stakeholder groups, their typical areas of interest and our engagement approach.

Stakeholder groups	Common areas of interest		Engagement approach
Communities 	Air emissions Community investments Economic development Education Employment opportunities	Environmental performance Grievance management Operational impacts	Communicate with local residents in areas where we operate through direct correspondence and group meetings Dedicate personnel responsible for community engagement, as well as receiving, tracking, analyzing and responding to potential community concerns Establish channels for communities to provide input or seek information Establish activities to cover common areas of interest such as refinery open house to show environmental performance and operational impact
Customers 	Developing innovative products and technology Safety	Supply chain management Sustainability and environmental performance	Cultivate an open dialogue with our customers and educate them about the market-based approach to sustainable solutions Provide response to customer questions and provide contact numbers for queries Use social media platform to share information
Employees 	Benefits Diversity and inclusion Health and wellness	Professional development Safety Workplace security	Support the professional development of our employees Invest in worker health by providing voluntary health programs Share feedback and raise topics of interest through managers, internal surveys, company forums and a confidential hotline Support employee-led resource groups that foster a culture of diversity and inclusion Use social media platforms to share information

Stakeholder groups	Common areas of interest		Engagement approach
Governments 	Energy supply and security Environmental performance Climate change Employment opportunities Ethics and integrity Impact assessments Local supplier development	Safety Taxes and other revenue sources Health and wellness Diversity and inclusion Education Fuel fair prices	Engage host governments to maintain the safety and security of operations Meet with key stakeholders to provide information and insights on policies that may affect our business as well as to advocate on free market principles and a level playing field Work to support responsible economic, energy and environmental policies and help identify solutions
Nongovernmental organizations 	Environmental performance Social issues	Transparency Economic development Health Education	Collaborate on technical projects of mutual interest Participate in conference events to exchange views, information and expertise Partner with grantees to improve health, education and job opportunities in local communities Engage Non-Governmental Organizations (NGOs) as appropriate to proactively understand potential concerns
Shareholders 	Board composition Business performance Climate change Environmental performance	Governance practices	Engage directly with shareholders to understand input and feedback, including shareholder proposals Disseminate information to our shareholders through Stock Exchange of Thailand (SET) filings, and presentations and other publications through Company's website Host annual shareholder meetings to share information on company highlights and answer questions from shareholders
Suppliers 	Local business opportunities Local supplier development Operational integrity Safety Environmental performance	Expectations for suppliers Diversity and inclusion Supplier training Human rights	Hold sessions with suppliers to provide information on our safety and environmental Share our supplier, vendor and contractor expectations Conduct regular supplier audits and anti-corruption due diligence

Sustainable management in Environmental Dimension



Environmental policy

The Company has a long history of responsibly meeting society's evolving need for energy in a reliable and sustainable manner. With a longstanding commitment to investments in technology and the ingenuity of its people, the Company is well positioned to continue to provide the energy that is essential to improving lives of our people, while addressing the risks of climate change.

Our environmental management approach is guided by an understanding of the potential environmental and socioeconomic impacts of our operations and a commitment to develop, maintain and operate projects sustainably, using appropriate standards that enable us to 'Protect Tomorrow. Today.'

The Company supports ExxonMobil's aim to achieve net-zero Scope 1 and 2 greenhouse gas emissions from its operated assets by 2050. We are taking a comprehensive approach centered on developing detailed an emission-reduction roadmap. The roadmap will be tailored to account for facility configuration and maintenance schedules, and it will be updated as technologies and policies evolve.

Environmental Management System

Access to reliable and affordable energy is essential to economic growth and improved standards of living. The Company strives to demonstrate leadership in environmental management. We recognize the environmental risks associated with our industry and evaluate potential and actual risks at each stage of a project to mitigate environmental impacts. We comply

with applicable environmental laws and regulations, and apply appropriate standards where they do not exist.

Our Operations Integrity Management System (OIMS) establishes a set of expectations that applies across all our operations to address risks inherent to our business, including environmental risks. Additional details can be found under "Risk Management" Section (Page 68).

The Company's efforts to mitigate the risk of climate change, as reflected in the four pillars of the Company's climate strategy:

- **Mitigating emissions in Company operations**

Additional details can be found under "Mitigating Emissions in Company Operations" Section (Page 86).

- **Providing products to help customers reduce their emissions**

The Company is responding to product demand growth by delivering solutions that enable customers to meet product performance requirements while reducing greenhouse gas emissions. These products and solutions include : Synergy™ fuel technology for all gasoline and diesel products, and Mobil 1™ lubricants. All Synergy™ fuel products have the advanced additive technology to help delivering better fuel economy with lower emission, especially premium products ("Supreme+"). Mobil 1™ advanced full synthetic lubricants are specially formulated with a tailored additive system to deliver ultimate engine performance and protection for longer oil change intervals compared to conventional engine oils. This means improved vehicle efficiency and improved gas mileage to help customers reduce their emissions.

▪ Developing and deploying scalable technology solutions

Commerically viable technology advances are required to achieve the country climate policy objectives. The Company's philosophy is to focus on society's highest-emitted sectors of industrial, power generation and commerical transportation, which together account for majority of CO₂ emissions.

The Company can leverage on ExxonMobil on technology solutions in areas such as carbon capture and energy-efficient process technology.

▪ Proactively engaging on climate-related policy

The Company supports the Royal Thai Government (RTG) in combatting the climate change crisis as well as stepping up its level of ambition to achieve carbon neutrality by 2050 and later to achieve net zero emissions by 2065¹.

Throughout the development of Climate Change Bill the Company has been providing comments and suggestions during public hearing session along with connecting with the Office of Natural Resources and Environmental Policy and Planning and Thailand Greenhouse Gas Organization for an evaluation on existing operations and future investment.

Performance and initiatives

The Company operates according to a guiding principle of "Protect Tomorrow. Today" that promotes a company culture mindful of the planet and the need to protect it for future generations. Implemented through OIMS "Protect Tomorrow. Today." provides a set of environmental expectations and globally accepted best practices that are part of our

day-to-day operations around the world. It also creates a platform for environmental leadership and continuous improvement in environmental performance.

We use an annual Environmental Business Planning (EBP) process to update and integrate long-range environmental strategies and improvement plans into our business strategies and action plans. The environmental plan identifies key environmental drivers, set objectives in focus areas important to their business, establishes actions and projects to achieve those objectives, set metrics and quantitative targets to measure progress, forecast expected outcomes, and stewards progress versus the plans.

The Company conducts regular reviews of all aspects of its business to ensure compliance with environmental laws, regulations, and internal policies, and implements various pollution control and other environmental impact mitigation measures.



¹ Government News. The Prime Minister delivered a statement to the COP26 Leadership Meeting, announcing Thailand's intention to fully raise the level of solving climate problems by all means. Royal Thai Government, 2021. <https://www.thaigov.go.th/news/contents/details/47700>.

Mitigating Emissions in Company Operations



The Company proactively manages our operations with consideration of greenhouse gas and other emissions. To mitigate greenhouse gas emissions from our operations, we focus on increasing energy efficiency and reducing flaring, venting, and methane emissions. The Company continuously works to improve efficiency across all its operations. The company has implemented cogeneration as an effective technology to reduce emission.

The Company also implements various pollution controls and other environmental impact mitigation measures to manage emissions as required by applicable law, including applying advanced technologies to reduce emissions and conserve resources.

The strategic location of our refinery at Sriracha provides us access to a convenient product delivery network that allows distribution of products in a cost effective manner, including a multi-product pipeline, and with lesser emissions. The pipeline, to which our refinery is connected, is capable of transporting jet fuel, diesel, and gasoline. Pipeline transportation is a safe and efficient means to move products from the refinery to terminals strategically located near demand centers for our products.

Performance and initiatives


Energy Efficiency

Energy optimization is a key focus of Esso Sriracha refinery operation. The Company has set up an energy committee to closely monitor energy consumption, identify improvement opportunity, and introduce necessary measures to achieve improved energy efficiency.

Adoption of the ExxonMobil's Global Energy Management System (GEMS) equips the Company with a comprehensive and rigorous system of operational, maintenance, and design best practices for energy management. We leverage digital technology to improve energy conservation initiatives. The refinery implemented "Steam Leaks application", which has enabled Process and Maintenance teams to more efficiently address leak repair. This initiative is able to reduce energy loss with estimated energy saving more than 34,000 MBTU per year. In addition to above initiative, several energy conservation programs have been implemented at the refinery, resulting in the refinery's EII (Energy Intensity Index) of 84.7 or about 2.4% less than EII in 2020. Capital investments are continuously made to improve the reliability and efficiency of the refinery, as well as pollution control and other equipment to effectively manage environmental performance.

 **2.4%** **Reduce 2.4 percent EII, compared to 2020**

- Leverage digital technology to improve energy conservation initiative
- Steam Leaks application has enabled to prioritize leak repair with estimated benefits around 6 Million-baht per year or able to reduce energy loss around 34,000 MBTU/yr (comparing to energy for melting 118,000 ton of Ice)


118,000 ton


Greenhouse Gases


In 2021, the direct and indirect GHG emission from our operations is 1.01 Million Tons of Carbon dioxide equivalent² (Scope 1 and Scope 2). The Company has reduced greenhouse gas emissions (Scope 1) approximately 5% comparing to 2020. We have implemented energy and GHG reduction programs through investing of approximately 17 Million Baht. The Sriracha refinery has three gas turbine cogenerators of 50 Megawatts total production capacity, which enable lower greenhouse gas emissions compared to conventional electricity generation.

 **5%** GHG emissions reduce 5% compared to 2020

- Reduced 51 Ktons of CO₂ eq or



• about
840,000
tree seeding grown

for **10 years**

• emission from
11,000
passenger car
per **year** 



Air Quality

The Company seeks opportunities to reduce air emissions associated with our operations and the products we deliver to increase shareholder value and meet regulatory requirements. We have an ongoing Leak Detection and Repair (LDAR) program to detect leaks from equipment and repair as needed to meet government limits for Volatile Organic Compound (VOC) leakage. Most of the furnaces at the refinery are equipped with low NOx burners, which have lower emissions compared to normal burner type. The Esso Sriracha refinery has rigorous processes to control air emissions from all stacks to be within Government limits and Environmental Impact Assessment (EIA) control limits.

 **30%** Best ever flaring since 2010, and 30 percent lower than 2020

- **1,700** tonnes of Flaring reduction compare to **2020**
- **Zero** routine flaring, rigorous flare reduction programs (e.g. flare survey and Startup/Shutdown flare minimization programs and etc.)



² Excellence Center of Eco-Energy (ECEE) verified Greenhouse Gas Report according to Carbon Footprint Verification Guidelines of Thailand Greenhouse Gas Management Organization (Public Organization) (ISO 14064-1:2006) by the Thai Industrial Standards Institute.

Managing impacts on water



Freshwater Management

The Company manages water resources with care. To manage these risks, we pursue site-specific management strategies that include water conservation technologies, use of alternative water sources. Our refinery operations mainly use demineralized water produced by our desalination units, followed by recycled water from operations, then fresh water thus saving natural fresh water resources and energy as well as minimizing impact of drought conditions to the communities nearby.

Wastewater Management

Refining operations generate wastewater that requires treatment before discharge or disposal. Treatment methodologies range from removal of suspended hydrocarbons and solids from produced water to biological treatment systems for refinery wastewater.

We work to design facilities in a manner that controls the quality of discharged water to meet local standard or ExxonMobil's effluent standard when a country has less-stringent standards than ExxonMobil's specifications.



Performance and initiatives

The Company implemented measures to preserve fresh water sources and treat waste water. Our refinery operations mainly use demineralized water produced by our desalination plants, followed by recycled water from operations. The desalination units and reverse osmosis at Sriracha Refinery produce around 1 million cubic meter per year of boiler feed water, which able to substitute more than 75 percent of surface water requirement per year. The desalination units can saving natural fresh water resources and energy as well as minimizing impact of drought conditions to the communities nearby.



Desalination and reverse osmosis units can reduce Fresh water requirement around 1 Million Cubic Meter per year



Equivalent water required for

50,000 heads



or **10,000** households

Our water treatment system features various units to separate oil from the water, including oil skimming tanks, an oily water separator, and an induced air floatation unit, before further treated by our biological oxidation (BIOX) wastewater treatment system or Activated Sludge (AS), and then through final treatment at a polishing pond.

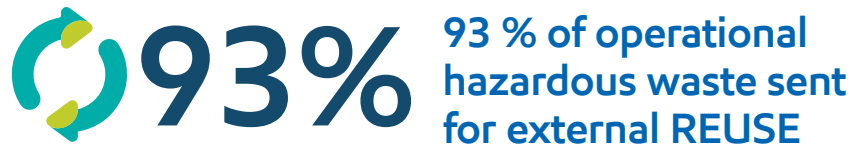


Waste Management

All wastes, from both industrial operations and domestic sources like offices, are managed by using global ExxonMobil standards. Each step of the waste management process receives focus. For example, know what wastes are generated, know how each waste should be managed, segregate wastes according to risk and disposal method, send waste only to approved disposal sites, track wastes from source to disposal, and minimize waste generated.

Performance and initiatives

We maintain efforts to reduce and reuse operational waste. Since 2012, more than 93 percent of disposed wastes from the refinery have been sent to either recycle as energy or alternative raw material.



Maintain efforts to **reduce** and **reuse** operational waste

Spill Management

The Company limits spills from our operations by maintaining a strong focus on risk management, operations integrity and containment capabilities. We take a rigorous approach to managing the potential impacts of a spill on water or land.

Our spill prevention program establishes procedures for inspecting and maintaining equipment, training operators and conducting practice drills. If a spill does occur, we conduct a rapid, comprehensive response to minimize impact on communities and the environment.

ZERO Maintain Zero Oil spill 0



Sriracha Refinery has **NO** reportable spill* for **14** years since 2007

* reportable spill is more than 1 bbl



Safety

Performance and initiatives

In 2021, the Sriracha refinery achieved 14 consecutive years without reportable oil spill, which resulting from our rigorous oil spill prevention programs.

The ability to promptly and efficiently respond to emergencies is critical, and the Company conducts extensive training and drills to prepare for such situations. We take a disciplined and structured approach to emergency preparedness that is based on clear communication. As the Company believes effective emergency preparedness requires competent response teams, strategic emergency response team (ERT) and Emergency Support Groups (ESGs) have been established at the terminals, at the refinery, and at the country level to develop and practice emergency response strategies and assist field responders to ensure readiness and preparedness for emergency response in country. The Company routinely trains both ERT and ESG members, a wide variety of our employees, on a range of possible scenarios, including simulated spills, fires, explosions, natural disasters, and security incidents. Moreover, at the Sriracha Refinery, more than ten exercises are conducted per year in various possible scenarios as mentioned earlier.

Social sustainability management

Social

Esso (Thailand) Public Company Limited aims to be a preferred business ally, neighbor, employer and supplier. We maintain a commitment to safeguarding the health and security of our employees and the public, responsibly managing our social impacts, and upholding respect for human rights in our operations.

The Company strongly encourages and consistently fosters a culture in which the value of safety is embedded at every level of the organization. The Operations Integrity Management System (OIMS), provides a robust framework for managing both the safety of the Company's operations and its personnel. The Loss Prevention System (LPS) encourages employees to focus on underlying personal behaviors to identify enhancements to facilities, systems, and competencies. The Company's approach for effective management of employee safety and health produces positive results and facilitates progress toward the objective of achieving a work environment in which Nobody Gets Hurt.

One critical success factor in achieving the goal of a work environment in which Nobody Gets Hurt is the empowerment of everyone in the Company to intervene and challenge when unsafe acts are observed. Each and every employee in the organization has authority to caution their colleagues if they observe an unsafe situation or behavior. Employees are also encouraged and are cultivated to welcome suggestions on how to work more safely.

As a result of these robust programs, the Company achieved several impressive safety milestones in 2021 as outlined under Operational Highlights. We focus on achieving a work environment where Nobody Gets Hurt.

Personnel safety

The Company maintains a strong safety culture with a clear objective: Nobody Gets Hurt. We promote a safety-first mentality for employees and contractors to reach our goal of zero workplace injuries and illnesses. Our workforce is empowered to intervene or stop work when they observe an at-risk situation or unsafe behavior. Hundreds of contract workers support our operations every day. It is essential that third-party contractors follow our policies and meet our business objectives.

With our focus on eliminating the most serious incidents, we work with our employees and contractors to understand Life Saving Actions for these higher-consequence activities and how to verify critical, effective safeguards are in place before the work begins and during execution.

With the focus on personal safety, the company has improved personal safety statistic both Total Recordable Injury Rate (TRIR) and Lost Time Injury Rate (LTIR) as shown in the following table.

	2019	2020	2021
Lost Time Injury Rate (LTIR) ¹	0.02	0.04	0.00
Total Recordable Injury Rate (TRIR) ²	0.09	0.00	0.05

¹ Total Recordable Injury Rate (TRIR) = Numbers of Recordable Injury per 200,000 working hour including both employee and contractor.

² LTIR = Lost Time Injury Rate, # of Lost Time injury per 200,000 working hour including both employee and contractor.

Process safety

The Company has an unwavering commitment to helping protect the employees, the workforce, the community and the environment by seeking to manage the risks inherent to our operations. Our Operations Integrity Management System (OIMS) serves as the foundation for managing process safety risks and establishes clear process safety expectations, which are distributed throughout our management systems. The safeguards needed to protect against process safety risks are built into OIMS and integral to the way our facilities are designed, operated and maintained. We verify and rigorously maintain these safeguards to prevent or mitigate the consequences of a process safety event.

Emergency preparedness

The Company is prepared to respond to a wide array of emergency events, including natural disasters, pandemics and operational incidents. Regardless of the size, severity or cause of an event, each facility and business unit has access to trained responders and resources. Cross-functional teams develop and practice emergency response tactics through incident management teams and emergency support groups. This preparation enables the Company to provide a robust response in emergency situations to help protect the safety of people, the community and the environment.

In Thailand, the Company, as a subsidiary of Exxon Mobil Corporation, has about 30 Thai employees who are members of ExxonMobil's Regional Response Team (RRT). All of them participated in RRT annual training and/or emergency simulation.



Healthy and engaged workforce



Worksite health and wellness

The success of the Company operations depends on a healthy and competent workforce. Our health policy communicates corporate expectations for identifying and managing health risks related to our operations. The Company develops workplace health programs that consider local health care systems and health needs.

Improvements in worker health increase quality of life and employee productivity. The Company supports voluntary health programs that promote employee well-being while reducing health-plan costs.

When the COVID-19 pandemic emerged in early 2020, our emergency preparedness and response procedures were triggered at the country and facility levels, building on lessons learned from SARS, Pandemic Flu, and MERS. Our preventive and mitigation safeguards, combined with coordinated internal communications, helped protect the health and safety of our workers and their dependents. Where appropriate,

we implemented remote-work policies while our facilities were deep cleaned and reconfigured to enable proper social distancing. Our measures were continually refined as more information about the virus was identified, in consultation with internal and external health experts. As a result of our COVID-19 safeguard measures, there were no known cases where an employee was infected with COVID-19 through transmission in the workplace.

The Company leverages human performance principles to deliver world-class business results by implementing Ergonomics Program, which enhances the resilience of our facilities, systems, and people and focusing on learning and improvement. All employees and contractors performing office related activities receive annual ergonomic training and perform self-assessment checklist to ensure proper work station setting and ergonomic work behavior.

The Company provides voluntary annual health check and flu vaccine for employees to ensure their well-being.



In 2021, there were **96%** of total company employees⁽¹⁾



participated in voluntary **annual health check.**

Company facilitated access to vaccinations for employees through different channels

⁽¹⁾Total employees as of December 31, 2021.

People and Workforce

The Company's capable and dedicated employees are one of its greatest strengths. Employee development systems utilize integrated processes to support the development of a highly-productive, dedicated, and motivated workforce.

The Company recruits talented individuals and invests in employee development through work assignments, on-the-job experience, and career-long training and education. Career development is undertaken as a shared responsibility between the Company and the employee. The Company promotes an environment of inclusion and diversity with high expectations that this will enhance employees' contributions to both individual and team goals.

The Company values talented people from diverse backgrounds, and inspires and empowers them to think independently, take initiative, and be innovative. With our focus on hiring local talents, the Company have created a positive impact on the economies in which the Company operates.


Developing a workforce

Our people development philosophy is to develop leaders and workforce from within, through a wide range of assignments and experiences. The Company encourages all employees to contribute fully to the achievement of superior business results.

Developing a premier workforce is the goal of the Company's career development process. The Company places a high priority on leadership

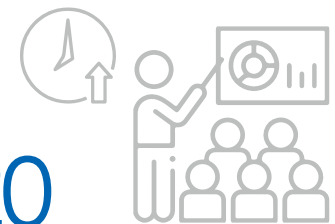
and employee development, with an approach based on long-term business orientation. Early identification and accelerated development of talent are critical. Employees' behavioral and functional skills and competencies are built through training and various work experiences in a wide range of assignments in multiple functions around Thailand and the world. The Company sets clear expectations of our leaders in setting standards, creating clarity, inspiring and motivating, and promoting innovations to allow the Company to compete and win.

The Company provides education and skills development through a proven global training curriculum, customized to our business environment, and through on-the-job training provided by multiple assignments over a career. This helps us develop competent and committed employees who are fully prepared to meet future business needs, both locally and globally.

 **81%** of employee training hours in 2021

In 2021, numbers of employee training hours

increased
by approximately **81%** from **2020**



Retaining a workforce

The Company strives to offer a work environment where all employees have the opportunity to fully express their creative talents, learn and adapt to enable excellent business results, and create shareholder value.

Care for employees, partners, and community is one of our core values. The Company upholds disciplined employment practices, and offers employee mentoring programs, robust training, competitive compensation, and benefits programs that support employee retention.

Diversity and inclusion

Our Diversity Framework and Standards of Business Conduct govern the Company employment practices, including policies for recruitment, hiring, promotions and salary administration. The standards support our commitment to provide equal employment opportunities, prohibit discrimination in the workplace and align with applicable laws. We use a series of training programs and tools to help our employees understand cultural sensitivities across a diverse workforce. We do not tolerate harassment in any form, and violators of this policy are subject to disciplinary action, up to and including termination.

Diversity of thought, ideas, perspectives, skill, knowledge, and culture makes the Company more innovative, resilient, and able to navigate better in the complex and changing global energy business. Creating an inclusive workplace enables our employees to bring their unique perspectives to help achieve the business objectives.

Our objectives are to seek and hire talented, dedicated employees and give them opportunities to learn, grow, and succeed. The result is a diverse and multi-faceted employee base representing different

perspectives and ideas. The Company encourages participation in employee-led resource groups, for LGBTQ called PRIDE that assist in fostering a culture of diversity and inclusion through development programs, community service opportunities, and mentoring. We consider and monitor diversity through all stages of employment, including recruitment, training, and development of our employees.

The Company has active oversight of diversity mix throughout all career stages. Women Interest Network (WIN) and Mentoring through Women's Leadership Team are networks sponsored by the Company to promote Inclusion and Diversity.

Employee recruitment and retention

The Company prioritizes the development of employees. We begin with recruiting exceptional talent and continue with individually planned assignments and experiences that lead to broad skill development and a deep understanding of our businesses. It also facilitates development of the next generation of leaders from within the Company. The Company invests in people for a long-term career. Through a combination of work assignments, on-the-job experiences, and focused training and education, employees acquire the necessary skills and competencies to take on increasing levels of responsibility and job complexity.

The Company strives to offer a work environment where all employees have the opportunity to fully express their creative talents, learn and adapt to enable excellent business results, and create shareholder value.

Care for employees, partners, and community is one of our core values. The Company upholds disciplined employment practices, and offers employee mentoring programs, robust training, competitive compensation, and benefits programs that support employee retention.

8 DECENT WORK AND ECONOMIC GROWTH

Human rights

The Company actively promotes respect for human rights and is committed to complying with all applicable laws and regulations. The Company expects our employees, officers, and directors to comply with all applicable laws and regulations, and seeks to work with suppliers and business partners who share our commitment to human rights. Within our own workforce, our commitment to human rights is supported by our Standards of Business Conduct and our Statement on Labor and the Workplace. Our Statement reinforces support for the principles of the International Labor Organization 1998 Declaration on Fundamental Principles and Rights at Work, notably the elimination of child labor, forced labor and workplace discrimination. Our approach to human rights is consistent with the goals of the United Nations (UN) Guiding Principles on Business and Human Rights.

Human rights in the supply chain

The Company is committed to respecting human rights, and we expect the same of our suppliers. Our Supplier Expectations include our expectations of suppliers, vendors and contractors with regards to human rights. These expectations include references to key international human rights frameworks, such as the United Nations' Guiding Principles on Business and Human Rights and the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work. We reiterate our expectations on human rights to our suppliers through an annual letter to suppliers.

The Company audits a select number of suppliers each year for contract compliance. We regularly audit pricing, safety, drug and alcohol policy compliance, invoicing and travel expenses. Contractors not meeting our expectations may be subject to supplemental training and contractual remedies, including termination.

Corporate Social Responsibility Program



The Company works closely with the communities where we operate to identify and invest in initiatives that help support their needs. We collaborate with governments and local stakeholders to invest in programs that promote local economic growth and help improve social conditions.

COVID-19 relieve activities

Support COVID-19 relieve organizations

During the COVID-19 pandemic, the Company, together with employees, supported many organizations to alleviate the impact of COVID-19, ranging from national health and humanitarian organizations to city and provincial agencies and hospitals.

With the Thai Red Cross Society, the Company's employees and Esso Smiles Card members donated more than 1 million baht for the purchase of Oxygen High Flow used in treating severe COVID-19 patients.



In addition, with donation from Esso Smiles Card members' point redemption at double of their values during June 1-21, 2021 and August 5-20, 2021, the Company presented Esso fuel cards totaling 1.3 million Baht to the National Institute for Emergency Medicine to support the transportation of COVID-19 patients.

During the spread of COVID-19 in Klong Toey areas, the Company supplied Klong Toey District with personal protective equipment (PPE) for officials and volunteers at COVID-19 screening and vaccination points. Pathumthani Public Health Office received a set of vaccine refrigerator from the Company to keep COVID-19 vaccine before distribution to hospitals in the province.

In Chonburi province, the Company supported Sriracha District Public Health Office and Laem Chabang Municipality with Esso fleet cards, PPEs and necessity bags in their battling against COVID-19. The Company also equipped Medical professionals exposing with COVID-19 patients at Queen Savang Vadhana Memorial Hospital with powered air purifying respirators (PAPR) and PPEs.

Helping the vulnerable during times of crisis

COVID-19 pandemic caused economic recession, impacting many vulnerable groups, ranging from senior citizens, disabled persons and bedridden patients.

In Bangkok, the Company and alliances donated necessity items and cash totaling 299,300 Baht in assistance to children and bedridden patients in Klong Toey Community.

At Esso Sriracha Refinery, our employees presented survival bags to communities' leaders as relief assistance during COVID-19 pandemic for senior citizens, disabled persons and bedridden patients in the neighboring communities. Our employees and their families reached deep in their hearts to give funds and package up the necessities in the volunteer program, "Day of Caring".

The survival bags included rice, bottled water and alcohol-based hand sanitizer. Total donation on this occasion has reached up to 222,712 baht of which about 15 % came from employees.



Education

Keeping students in schools with Equitable Education Fund

Anticipating that underserved students would be forced to leave schools due to economic recession caused by COVID-19, the Company, together with employees, Esso Club, donated 100,000 baht to Equitable Education Funds, which selected the students who are really in need of the support under the “2021 Sriracha Refinery Scholarship Fund Program”.



In 2021, the Company presented 500 scholarships worth 1,193,000 baht to primary and secondary students in Sriracha area.

Promoting STEM education

The Company believed that education – especially in science, technology, engineering, mathematics or STEM – is not only key to national development and economic growth, but also a vital part of the solution to social and environmental problems.

Developing the next generation of scientists and engineers is critical to achieve success in today’s highly competitive and technology-driven world. Our two signature programs are: **Esso-Rattanakosin Bicentennial Scholarship and Esso-Vocational Science Contest.**

The Company and the Office of the Higher Education Commission established the Esso-Rattanakosin Bicentennial Fund in 1982. The Company has continued to support the fund, as well as the scholarship program every year since then. To date, about 2,175 scholarships have been granted with a total contribution amount of more than 17.45 million Baht.

In 2021, the Company presented 15 scholarships worth 300,000 baht to undergraduate students who have good academic performance but need financial support. The students are in engineering, computer science, technology, science, accounting, business administration, finance field (STEM Education) from state universities nationwide.

On the vocational level, the Company have supported the Science Society of Thailand under the Patronage of His Majesty the King and Office of Vocational Education Commission to organize the Esso-Vocational Science Contest for over 31 years.

In 2021 the Company presented a 300,000-Baht fund to support of the STEM education among vocational students nationwide and the application of their knowledge to create projects that can provide effective solutions to their communities, as well as the opportunities to turn into “start-ups.”



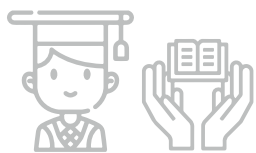
Women Skill Enhancement



The Company believes that when women have control over their incomes, they invest in health, education and well-being of their families, creating a multiplier effect that benefits the society. The Company, therefore, established a Skill Enhancement Center for women in Laem Chabang in 2010. Serving as a local training, marketing and selling hub, the center provides support for professional skills training. The center is managed by a governance, which consist of Laem Chabang Municipality, the Company's executives, and community leaders from 10 participating communities which are located close to Esso Sriracha Refinery. Courses offered by the center range from resource and product assessment, professional skill training, e.g. making fancy face masks, to counseling on marketing strategies and online marketing, packaging design and distribution channels.

39 years Education support

39 years providing grants through Esso-Rattanakosin Bicentennial Fund



As of 2021, about **2,175** scholarships have been granted with a total contribution amount of more than **17.45** million Baht

Support the Esso-Vocational Science Contest for over **31** years.



Established a Skill Enhancement Center for women in Laem Chabang



Established a Skill Enhancement Center for women in Laem Chabang

in 2010,

More than **21** years that we support this skill enhancement center for women in Laem Chabang.





Environment

In addition to our commitment to operate in an environmentally responsible manner everywhere we do business, the Company also contribute and support several programs to educate, protect and conserve the environment in the communities close to our refinery, as well as in other parts of Thailand.

The programs included mangrove reforestation at Ban Laem Chabang community, coral planting for marine conservation, releasing one million black tiger shrimps into the sea to promote marine resources conservation and rehabilitation.

Recognitions in 2021

In 2021, the Company was recognized by the following organization

- Platinum CSR Excellence Recognition from The American Chamber of Commerce in Thailand (AMCHAM)
- HR Excellence Award 2021 Thailand (Bronze for Excellence in CSR Strategy from Human Resources online Magazine)



Management Discussion and Analysis

Company's performance in 2021

Company is committed to working to meet the growing demand of energy and petrochemical products in Thailand and neighboring countries following our vision "Power Life with Premier Energy Experience". In the past year, we strived to achieve improved financial results despite the uncertainty of the pandemic on Thailand's fuels demand. Operational performance for Refining and Petrochemical Business, Retail Fuels Sales, Commercial Sales and Lubricants business can be found in Operational Highlight section (Page 10).

Apart from operational and financial excellence, Company operates our businesses in a responsible and sustainable manner by focusing on Environment, Social, and Governance (ESG) dimensions ranging from environmental conservation, education, health, safety and human rights. Key sustainability concepts are woven into our corporate policies, culture, and procedures in efforts to maintain and strengthen our approach to sustainability. Information relating to environment, society and governance (ESG) can be found in Sustainability Business Development section (Page 79).



1. Financial and Operating Highlights

	4Q 2021	4Q 2020	2021	2020
Crude intake (Kbpd)	124	119	123	115
Paraxylene production (Ktons)	0	62	53	200
Average forex rate (Baht/US\$)	33.4	30.6	32.0	31.3
Gross refining margin (US\$/Bbl)	7.4	5.7	7.5	(3.6)
Revenue from sales (million Baht)	52,311	32,481	172,878	126,672
Gross profit (million Baht)	2,262	1,844	10,618	(4,736)
EBITDA (million Baht)	2,066	1,226	8,783	(7,245)
Profit (loss) for the period (million Baht)	750	433	4,444	(7,910)
Earnings (loss) per share (Baht) ⁽¹⁾	0.22	0.13	1.28	(2.29)

⁽¹⁾ Based on current number of shares: 3,461 million shares

2. Benchmark Prices for Crude Oil and Refined Petroleum Products

Average Platts Singapore quoted prices for crude oil and refined products

Unit: US\$/Bbl	4Q 2021	4Q 2020	3Q 2021	2021	2020
Dubai	78.3	44.6	71.7	69.2	42.2
Gasoline (95 Ron)	93.8	48.7	83.4	80.3	46.6
Jet fuel / kerosene	88.6	47.0	77.0	75.1	44.7
Diesel (50 ppmS)	90.6	48.8	79.4	77.3	49.2
Fuel oil (180 cs)	69.8	43.1	66.7	62.9	38.3
LPG	70.5	37.4	57.0	56.0	35.4

Source: Mean of Platts Singapore and PCI

Dubai prices in the fourth quarter of 2021 averaged \$78.3/Bbl, an increase of \$33.7/Bbl from the same period last year, or an increase of \$6.6/Bbl compared to the third quarter of 2021. Dubai prices continued to increase from the third quarter of 2021 mainly due to rising oil demand during winter and gas-to-liquid switching from higher natural gas prices globally despite some concerns over the potential impact of the new Omicron variant of COVID-19 on global oil demand during the end of 2021. The average monthly price for Dubai in December 2021 was \$73.2/Bbl, which was higher than September 2021 average price of \$72.6/Bbl, and higher than December 2020 average price of \$49.8/Bbl.

Following the same trend as crude prices, all product prices continued to move upwards in the fourth quarter of 2021 when compared with the same period last year and the previous quarter as a result of rising oil demand during winter with additional support from gas-to-liquid switching.



3. Production and Gross Margin

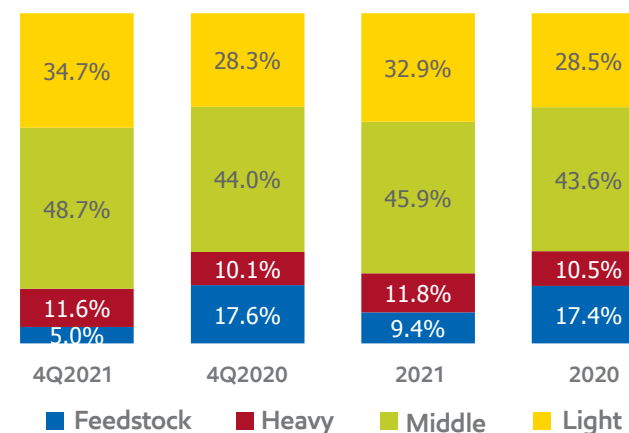
	4Q 2021	4Q 2020	+ / -	2021	2020	+ / -
Refining capacity (Kbpd)	174	174	0	174	174	0
Crude intake (Kbpd)	124	119	+5	123	115	+8
Paraxylene production (Ktons)	0	62	-62	53	200	-147
Gross Refining Margin (US\$/Bbl)	7.4	5.7	+1.7	7.5	(3.6)	+11.1
Total Fuel Product Sales (KBbl) (US\$/Bbl)	12,170	11,353	+817	46,933	45,050	+1,883
· LPG	637	647	-10	2,657	2,310	+347
· Gasoline	3,610	2,881	+729	12,984	11,218	+1,766
· Naphtha	147	370	-223	1,234	1,500	-266
· Jet Fuel/Kerosene	561	478	+83	1,878	2,272	-394
· Diesel	5,740	5,705	+35	22,255	22,404	-149
· Fuel Oil	1,055	830	+225	4,047	3,921	+126
· Asphalt	420	442	-22	1,878	1,425	+453

Refinery crude intake in the fourth quarter of 2021 was 124 KBD, 5 KBD higher than the same period last year mainly due to rising demand from gasoline demand recovery and gas-to-liquid switching in the power generation industry. Furthermore, crude intake for this quarter was higher than previous quarter reflecting improved demand from country reopening. Full year 2021 crude intake was reported at 123 KBD. Paraxylene production has been suspended since April 2021.

The fourth quarter Gross Refining Margin (GRM) was \$7.4/Bbl, improved \$1.7/Bbl from the same period last year. The improvement was primarily driven by stronger industry margins. Full year 2021 GRM was \$7.5/Bbl, an increase of \$11.1/Bbl compared to 2020, essentially driven by favorable inventory effects and higher industry margins.

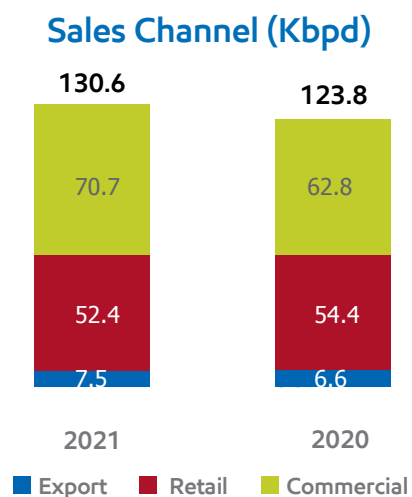
Refinery production yields in the fourth quarter of 2021 as well as the full year 2021, when compared with the same period last year, reflected production to capture strong margin opportunity and improved demand from COVID-19 pandemic. Lower feedstock yields from paraxylene production suspension resulted in higher gasoline yields. Middle distillate production in the fourth quarter increased from the previous quarter in response to improved demand of jet fuel as a result of the country reopening and diesel from gas-to-liquid switching in the power generation industry. In 2021, refinery promptly adjusted its production to capture high-margin asphalt and achieved asphalt production in March at 5.5 KBD which was record high in a decade.

Refinery Production (%)



Total product sales volume in the fourth quarter of 2021 was 12,170 KBbl, 7% higher than the same period last year which mainly reflected improved demand for gasoline, fuel oil and jet fuel. Compared with the previous quarter, gasoline and jet fuel sales volume improved following the efforts to capture margins opportunity and the easing of partial lockdown measures as well as country reopening. Meanwhile, diesel and fuel oil sales volume rose to capture opportunistic sales in the power generation industry from gas-to-liquid switching.

In 2021, the company successfully achieved sales volume growth relative to industry demand, leveraging the strength of integration to optimize crude run and maximize portfolio margins. Commercial channel made a remarkable support to capture growth opportunity in domestic sales and cross-border business, which reflected the company's business resilience. While Retail business was impacted by country's partial lockdown measures, the company continued to maintain market position and grow footprint via service station expansion. At year-end 2021, there were 731 service stations nationwide, or net increase of 29 service stations from year-end 2020.



4. Financial Performance

Unit: million Baht	4Q 2021	4Q 2020	+ / -	2021	2020	+ / -
Revenue from sales	52,311	32,481	+19,830	172,878	126,672	+46,206
Cost of sales	(50,049)	(30,637)	-19,412	(162,260)	(131,408)	-30,852
Gross profit	2,262	1,844	+418	10,618	(4,736)	+15,354
Selling expenses	(1,261)	(1,218)	-43	(4,834)	(4,949)	+115
Administrative expenses	(60)	(60)	0	(234)	(268)	+34
Profit (loss) from sales	941	566	+375	5,550	(9,953)	+15,503
Other income	5	4	+1	26	67	-41
Finance costs, net	(75)	(90)	+15	(308)	(357)	+49
Share of profit from an associate	59	69	-10	227	285	-58
Profit (loss) before income tax	930	549	+381	5,495	(9,958)	+15,453
Income tax (expense) credit	(180)	(116)	-64	(1,051)	2,048	-3,099
Profit (loss) for the period	750	433	+317	4,444	(7,910)	+12,354
Other comprehensive income	217	494	-277	406	152	+254
Total comprehensive income (loss) for the period	967	927	+40	4,850	(7,758)	+12,608

Revenue from sales for the fourth quarter of 2021 and the full year of 2021 were higher than the same periods last year, largely due to higher market selling prices and sales volume.

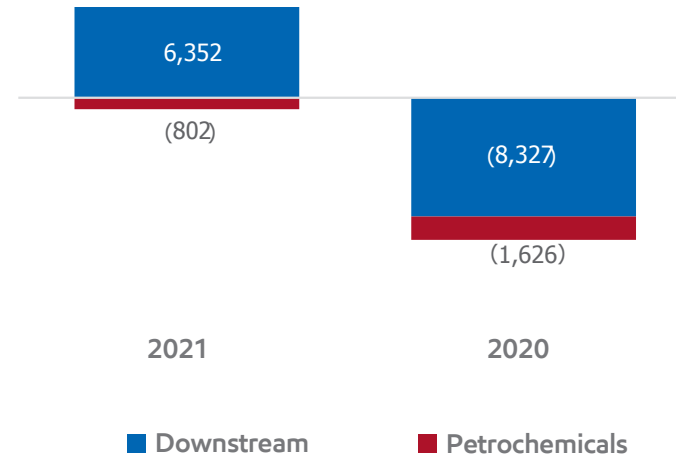
The company continued to optimize selling and administrative expenses and achieved overall expense reduction by 3% in 2021.



In 2021, the Downstream segment made profit from sales of Baht 6,352 million, which was Baht 14,679 million higher than last year, mainly due to favorable inventory effects, sales volume growth and improved industry margins. Petrochemical segment made a loss of Baht 802 million inclusive of asset impairment, compared to a loss of Baht 1,626 million in 2020, reflecting paraxylene production suspension.

Compared to the same period last year, net finance costs decreased by Baht 15 million in the fourth quarter of 2021, and decreased by Baht 49 million for the year primarily driven by lower interest rates.

Profit (loss) from sales by segment (Million THB)



5. Statement of Financial Position

Unit: million Baht except for percentages	31 Dec 2021	31 Dec 2020	+/-	+/- %
Assets				
Current assets	33,784	22,921	+10,863	+47%
Non-current assets	36,271	38,457	-2,186	-6%
Total assets	70,055	61,378	+8,677	+14%
Liabilities				
Current liabilities	42,008	35,446	+6,562	+19%
Non-current liabilities	8,839	11,573	-2,734	-24%
Total liabilities	50,847	47,019	+3,828	+8%
Equity				
Issued & paid-up share capital	17,075	17,075	0	0%
Premium on share capital	4,032	4,032	0	0%
Legal reserve	1,001	1,001	0	0%
Unappropriated retained earnings (deficits)	(3,638)	(8,081)	+4,443	+55%
Other components of equity	731	325	+406	+125%
Non-controlling interests	7	7	0	0%
Total equity	19,208	14,359	+4,849	+34%
Total liabilities and equity	70,055	61,378	+8,677	+14%

Current assets as of December 31, 2021 increased by Baht 10,863 million from year-end 2020, mainly from higher inventory balances as well as trade receivables due to price escalation and subsidy claims. Non-current assets decreased by Baht 2,186 million mainly from decrease in deferred income tax assets related to utilization of tax loss carried forward.

Total liabilities of Baht 50,847 million, an increase of Baht 3,828 million, were primarily driven by higher crude payables from rising crude prices.

Total debt was Baht 28,990 million (long term loans of Baht 3,999 million and short term loans of Baht 24,991 million) as of December 31, 2021 compared to Baht 28,203 million at year-end 2020. The company continued to maintain adequate financing sources to support payment obligations.

Total equity increased by Baht 4,849 million reflecting profits for the year 2021, an increase from the re-measurement of provision for employee benefits and unrealized gain from the re-measurement of Bangkok Aviation Fuel Services Public Company Limited investment.

6. Statement of Cash Flows

Unit: million Baht	2021	2020
Cash flow from (used in) operating activities	1,541	409
Cash flow from (used in) investing activities	(1,341)	(1,251)
Cash flow from (used in) financing activities	340	827

Cash flow generated from operating activities was Baht 1,541 million for the full year 2021, which reflected positive earnings for the period offset by unfavorable working capital effects mainly from higher inventory as a result of significant price escalation. Cash flow used in investing activities was Baht 1,341 million mainly for refinery and retail projects, and payments for right-of-use assets, partly offset by dividends received from investments. Cash flow generated from financing activities was Baht 340 million, mainly reflected net proceeds from borrowings.

7. Financial Ratios

Profitability ratios

	4Q 2021	4Q 2020	3Q 2021	2021	2020
Gross profit margin (%)	4.3%	5.7%	3.4%	6.1%	(3.7%)
Net profit margin (%)	1.4%	1.3%	0.1%	2.6%	(6.2%)
Interest coverage ratio (times)	27.2	13.4	10.2	28.3	(20.1)

Liquidity and debt to equity ratios

	31 Dec 2021	30 Sep 2021	31 Dec 2020
Current ratio (times)	0.8	0.8	0.6
Quick ratio (times)	0.2	0.2	0.2
Total debt to equity ratio (times)	1.5	1.6	2.0
Long term debt to equity ratio (times)	0.2	0.3	0.4
Net debt to equity ratio (times)	1.5	1.6	1.9

Financial ratios calculation:

Gross profit margin = Gross profit / Sales

Net profit margin = Net profit / Sales

Interest coverage ratio = EBITDA / Interest expense

Current ratio = Current assets / Current liabilities

Quick ratio = (Cash and cash equivalents + Short term investments + Trade receivables) / Current liabilities

Total debt to equity ratio = Total debt / Total shareholders' equity

Long term debt to equity ratio = Non-current borrowings / Total shareholders' equity

Net debt to equity ratio = (Total debt – Cash and cash equivalents) / Total shareholder's equity

Key Financial Information

Consolidated Financial Statements

Auditor's note

PricewaterhouseCoopers ABAS Limited (By Mr. Pongthavee Ratanakoses, Auditor's license No.7795) audited the consolidated and separate financial statements for the year ended December 31, 2021 in accordance with Thai Standards on Auditing. The auditor opined that the consolidated and separate financial statements are presented fairly, in all material respects, in accordance with Thai Financial Reporting Standards.

Consolidated financial information for the last 3 years

a) Statement of Financial Position

Unit: Million Baht

Assets	As at 31 December		
	2019	2020	2021
Current assets			
Cash and cash equivalents	277	262	802
Trade receivables, net	6,464	5,083	8,171
Amounts due from related parties	0	37	0
Inventories, net	19,085	13,144	18,786
Other receivables, net	1,377	2,888	4,152
Other current assets	4,775	1,507	1,873
Total current assets	31,978	22,921	33,784

a) Statement of Financial Position (continued)

Unit: Million Baht

Assets	As at 31 December		
	2019	2020	2021
Non-current assets			
Financial assets at fair value through other comprehensive income	0	1,071	1,147
Available-for-sale investments	1,350	0	0
Investments in an associate	2,207	2,137	2,095
Property, plant and equipment, net	25,600	24,750	23,706
Right-of-use asset, net	0	4,287	4,305
Intangible assets, net	181	181	153
Deferred income tax assets, net	1,501	3,512	2,361
Prepaid rental and deferred charges	1,726	266	149
Other non-current assets	1,700	2,253	2,355
Total non-current assets	34,265	38,457	36,271
Total assets	66,243	61,378	70,055

a) Statement of Financial Position (continued)

Unit: Million Baht

Liabilities and equity	As at 31 December		
	2019	2020	2021
Current liabilities			
Short-term borrowings from financial institutions	7,955	8,015	9,617
Trade and other payables	5,020	4,452	5,117
Amounts due to related parties	8,091	7,894	10,589
Short-term loans from related parties	14,822	13,854	15,374
Current income tax payable	1	1	0
Current portion of lease liabilities	0	358	438
Short-term provisions for employee benefits	787	872	873
Total current liabilities	36,676	35,446	42,008
Non-current liabilities			
Long-term borrowings from financial institutions	1,817	1,717	1,249
Long-term loans from related parties	2,350	4,617	2,750
Lease liabilities	0	2,440	2,400
Long-term provisions for employee benefits	3,280	2,799	2,440
Other non-current liabilities	2	0	0
Total non-current liabilities	7,449	11,573	8,839
Total liabilities	44,125	47,019	50,847

a) Statement of Financial Position (continued)

Unit: Million Baht

Liabilities and equity	As at 31 December		
	2019	2020	2021
Equity			
Share capital			
Authorized share capital	17,110	17,110	17,110
3,467,916,666 ordinary shares with par value of Baht 4.9338 each			
Issued and paid-up share capital	17,075	17,075	17,075
3,460,858,000 ordinary shares with paid-up value of Baht 4.9338 each			
Share premium	4,032	4,032	4,032
Retained earnings (deficits)			
Legal reserve	1,001	1,001	1,001
Unappropriated	(170)	(8,081)	(3,638)
Other components of equity	173	325	731
Equity attributable to owners of the parent	22,111	14,352	19,201
Non-controlling interests	7	7	7
Total Equity	22,118	14,359	19,208
Total liabilities and equity	66,243	61,378	70,055

b) Statement of Comprehensive Income

Unit: Million Baht

	For the year ended 31 December		
	2019	2020	2021
Income			
Revenue from sales and subsidy from oil fuel fund	169,348	126,672	172,878
Cost of sales	(167,344)	(131,408)	(162,260)
Gross profit (loss)	2,004	(4,736)	10,618
Selling and administrative expenses	(6,110)	(5,217)	(5,068)
Profit (loss) from sales	(4,106)	(9,953)	5,550
Other income	82	67	26
Profit (loss) from operations	(4,024)	(9,886)	5,576
Share of profit from an associate	380	285	227
Profit (loss) before interest and tax	(3,644)	(9,601)	5,803
Finance costs, net	(313)	(357)	(308)
Profit (loss) before income tax	(3,957)	(9,958)	5,495
Income tax credit (expense)	892	2,048	(1,051)
Profit (loss) for the year	(3,065)	(7,910)	4,444
Non-controlling interests	1	1	1
Owners of the parent	(3,066)	(7,911)	4,443

c) Statement of Cash Flows

Unit: Million Baht

	For the year ended 31 December		
	2019	2020	2021
Cash flows from operating activities			
Net Profit (loss) for the year	(3,065)	(7,910)	4,444
Adjustments for:			
Depreciation	2,019	2,568	2,808
Amortisation	27	18	18
Loss allowance	18	(12)	(17)
Write-down of inventory to net realisable value	97	12	60
Impairment charge on non-financial assets	0	122	408
Loss on disposal of property, plant and equipment and intangible assets	24	34	7
Share of profit from an associate	(380)	(285)	(227)
Finance costs, net	313	357	308
Dividend income	(62)	(46)	0
Income tax expense (credit)	(892)	(2,048)	1,051
Net unrealised foreign exchange (gain) loss	89	21	(61)
Cash flows before changes in working capital	(1,812)	(7,169)	8,799

c) Statement of Cash Flows (continued)

Unit: Million Baht

	For the year ended 31 December		
	2019	2020	2021
Operating assets (increase) decrease			
Trade receivables	(188)	1,392	(3,066)
Amount due from related parties	0	(36)	36
Inventories	(766)	5,929	(5,702)
Other receivables	953	(1,511)	(1,264)
Other current assets	(3,050)	2,631	(328)
Prepaid rental and deferred charges	349	93	116
Other non-current assets	(1,650)	(553)	(102)
Operating liabilities increase (decrease)			
Trade and other payables	(2,023)	(484)	521
Amount due to related parties	(2,001)	(228)	2,772
Income tax payables	0	0	2
Provisions for employee benefits	240	74	71
Other non-current liabilities	0	(2)	0
Cash generated from (used in) operations	(9,948)	136	1,855
Interest paid	(238)	(221)	(271)
Income tax received (paid)	19	494	(43)
Net cash generated from (used in) operating activities	(10,167)	409	1,541

c) Statement of Cash Flows (continued)

Unit: Million Baht

	For the year ended 31 December		
	2019	2020	2021
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	(1,658)	(1,486)	(1,461)
Payments for right-of-use assets	0	(182)	(192)
Proceeds from disposal of property, plant and equipment	15	13	40
Interest received	8	3	3
Dividend received	424	401	269
Net cash used in investing activities	(1,211)	(1,251)	(1,341)
Cash flows from financing activities			
Net proceeds from (payments on) short-term borrowings	1,192	(407)	1,818
Payments on long-term borrowings	(1,617)	(1,633)	(2,183)
Proceeds from long-term borrowings	2,300	2,000	1,500
Net (payments on) proceeds from loans from related parties	9,644	1,224	(352)
Dividends paid to group shareholders	(346)	0	0
Dividends paid to non-controlling interests	(1)	(1)	(1)
Payments on lease liabilities	0	(356)	(442)
Net cash generated from financing activities	11,172	827	340
Net increase (decrease) in cash and cash equivalents	(206)	(15)	540
Cash and cash equivalents at the beginning of the year	483	277	262
Cash and cash equivalents at the end of the year	277	262	802

Key financial ratios

	Unit	For the year ended 31 December		
		2019	2020	2021
Liquidity Ratio				
Current ratio	times	0.9	0.6	0.8
Quick ratio	times	0.2	0.2	0.2
Operating cash flow margin ⁽¹⁾	times	(0.3)	0.0	0.0
Trade receivables turnover	times	26.5	21.8	26.0
Average collection period	days	13.6	16.5	13.8
Inventory turnover	times	8.9	8.2	10.2
Days sales in Inventory	days	40.3	44.1	35.4
Trade payables turnover	times	11.1	10.3	11.6
Average payment period	days	32.4	34.9	31.1
Cash Cycle	days	21.6	25.8	18.1
Profitability Ratio				
Gross profit ratio	percent	1.2	(3.7)	6.1
Operating profit margin ⁽²⁾	percent	(2.4)	(7.9)	3.2
Other profit ratio ⁽³⁾⁽⁴⁾	percent	0.1	0.1	0.0
Operating cash flow to operating profit ratio ⁽¹⁾	percent	242.3	(1.4)	33.4
Net profit margin	percent	(1.8)	(6.2)	2.6
Return on equity	percent	(12.8)	(43.4)	26.5

Key financial ratios (continued)

	Unit	For the year ended 31 December		
		2019	2020	2021
Efficiency Ratio				
Return on assets	percent	(4.8)	(12.4)	6.8
Return on fixed assets ⁽⁵⁾	percent	(4.1)	(21.2)	29.9
Total asset turnover	times	2.6	2.0	2.6
Financial Policy Ratio				
Debt to equity ratio	times	2.0	3.3	2.6
Interest-bearing debt to equity ratio	times	1.2	2.0	1.5
Interest coverage ratio ⁽⁶⁾	times	(6.4)	(20.1)	28.3
Debt service coverage ratio - cash basis ^{(1) (7)}	times	(1.4)	0.1	0.8
Dividend payout ratio after deduction of legal reserve	percent	0	0	0

⁽¹⁾ Net cash flow from operations before interest and tax paid

⁽²⁾ Operating profit calculated from gross profit reduced by selling & administrative expense, and executive remuneration

⁽³⁾ Total revenue excludes other non-operating revenue

⁽⁴⁾ Other revenue excludes other non-operating revenue

⁽⁵⁾ Fixed assets include property, plant, and equipment- net

⁽⁶⁾ Net cash generated from operating activities divided by interest paid

⁽⁷⁾ Debt service commitment includes interest payment

Credit Term and Policy

A counterparty's ability to pay is assessed through a credit review process that considers payment terms, the counterparty's established credit rating or the Corporation's assessment of the counterparty's credit worthiness, contract terms, country of operation, and other risks. There are cash and open credit customers with range of 1-105 days depending on products and type of businesses.

The image features a solid blue background. A large, semi-transparent red circle is centered in the upper half. Inside this red circle, the words "Corporate Governance" are written in a bold, white, sans-serif font, stacked in two lines. Below the red circle, there are several overlapping circles in shades of blue and purple, and several thin, vertical white lines of varying lengths, creating a modern, abstract design.

Corporate Governance

Corporate Governance

Corporate Governance Policy and Practice Overview



The Company generally observes the principles of good corporate governance encouraged by the Stock Exchange of Thailand that is consistent with the Corporate Governance Code for listed companies 2017 developed by the Securities and Exchange Commission.

Board Governance Guideline and Board's Responsibilities

The Board of Directors consists of people who have qualification and related work experiences to create vision, policy and business strategies for the Company. The Company focuses on internal control, internal audit, risk management and business review process to ensure that its business operation is align with applicable laws and regulations and under a sound judgement.

In addition to a report of interest of directors (i.e. information on shareholdings, directorships, or executive positions in other legal entity (ies), the Company shall disclose a report of interest of each executive which relates to his/her directorship/executive position in other ExxonMobil affiliates.

a) Board Governance Guideline

The Board adopted the Board Governance Guidelines, setting out the governance, nomination of directors, determination of directors' remuneration, an independence of the Board from the management, director development and assessment of the Board's performance and succession planning reflecting the Company's current practices suitable for the Company's business and posted on the Company's website (www.esso.co.th) as follows:

Board Structure

Board Size and Composition.

The size of the Esso (Thailand) Board will provide for sufficient diversity among Directors and Independent Directors, while also facilitating substantive discussions in which each Director can participate meaningfully. Normally, the Board intends to have approximately ten to thirteen members, with no less than one-third of the Board being comprised of Independent Directors.

Independent Directors.

The Board will include Directors whom the Board has determined to be independent per the definitions set forth by the Securities and Exchange Committee and the Stock Exchange of Thailand (“SET”). In general, an Independent Director must have no material relationship with Esso (Thailand), directly or indirectly.

Employee Directors.

The Board will include Company Management who can effectively represent material aspects of Esso (Thailand)’s operations and areas of functional expertise. Employee Directors will be held to the same standards as Independent Directors in terms of election, standards of conduct and commitment to Board activities.

Election of Directors.

Directors will stand for election at the annual general meeting of shareholders, with no less than one-third of the Directors standing for election in each calendar year to serve for their terms. Directors will be approved by a majority vote of shareholders participating in

the annual general meeting of shareholders, either directly or via proxy. If a Director’s resignation is submitted to the Company prior to the end of their current term, the Board may fill any resulting vacancy, reduce the size of the Board, or take other appropriate action in accordance with applicable law and the provisions of Esso (Thailand)’s Articles of Association.

Chairman and Managing Director.

At this time, the Board believes it is appropriate and efficient for Esso (Thailand)’s Managing Director (MD) also to serve as Chairman of the Board. However, the Board retains the authority to separate those functions if it deems such action appropriate in the future. Notwithstanding with the aforementioned, consistent with SET Regulation, those functions shall be separated when the directorship term of current Chairman expires.

Term Limits.

The Board believes that experience as an Esso (Thailand) Director is a valuable asset, especially in light of the size and scope of the Company’s operations. Therefore, Directors are not subject to term limits or a mandatory retirement age. Eligibility to continue to serve as a Director will be based on experience, commitment, performance within the Board and ability to effectively contribute to the Board and Company shareholders. The Nomination, Remuneration and Performance Evaluation Committee, specifically, and the Board, generally, will assess performance and the ability of a Director to stand for election on a case by case basis including the independence of an independent director candidate, as part of the nomination process prior to the annual general meeting of shareholders.

Other Directorships.

Recognizing the time commitment required of Directors, it is expected that Directors will serve on the boards of other companies only to the extent that, in the judgment of the Board, such services do not detract from the Directors' ability to devote the necessary time and attention to Esso (Thailand). However, Director should serve on the boards of listed companies only upto 5 listed companies unless approved otherwise by the Board based on necessity of Director. The Chairman will, at least annually, review all Directors' service on the boards of other companies.

Change in Status.

To avoid any potential conflict of interest, Directors will not accept a seat on any additional company board without first reviewing the matter with the Chairman.

Director Selection and Qualifications

Selection.

The Board, acting on the recommendation of the Nomination, Remuneration and Performance Evaluation Committee, will nominate a slate of Director candidates for election at each annual general meeting of shareholders and will elect Directors to fill vacancies, including vacancies created as a result of resignation, between annual general meetings.

Qualifications.

Candidates for Director of Esso (Thailand) should be individuals who have achieved prominence in their fields, with experience and demonstrated expertise in managing large, relatively complex

organizations or in a professional or scientific capacity, and be accustomed to dealing with complex situations preferably those with international breadth. All candidates must be free from any relationship with management or Esso (Thailand) which would interfere with the exercise of independent judgment. Candidates should be committed to representing the interests of all shareholders and not any particular constituency.



The Board believes a Director should be able to serve for at least several years. Candidates should bring integrity, insight, energy, and analytical skills to Board deliberations, and must have a commitment to devote the necessary time and attention to oversee the affairs of a company of the size and complexity as Esso (Thailand). Esso (Thailand) recognizes

the strength and effectiveness of the Board reflects the experience and diversity of Directors; their commitment to the success of Esso (Thailand) and its shareholders; and the ability of Directors to work effectively as a group to carry out their responsibilities. Esso (Thailand) seeks candidates with diverse personal experiences and backgrounds who possess complementary knowledge and skills in areas of importance to Esso (Thailand). These may include knowledge of the oil & gas industry, refining, petrochemicals, finance, and international operations.

Orientation.

New non-Employee Directors will receive a comprehensive orientation from appropriate management regarding Esso (Thailand)'s business and affairs.

Board Meetings; Director Responsibilities

Number of Regular Meetings.

The Board normally holds five to seven regular meetings per year. Additional meetings may be scheduled as required.

Agenda and Briefing Material.

An agenda for each Board meeting will be distributed to each director at least 7 clear days in advance while briefing materials will, to the extent practicable, be distributed to each Director approximately 5 working days prior to each meeting. The Chairman, in consultation with the Company Secretary and other Directors as required, will normally set the agenda for Board meetings consistent with draft whole year agenda items reviewed by the Board at the end of preceding year. Any Director may request the inclusion of specific items.



Meeting Attendance.

It is expected that each Director will make every effort to attend each Board meeting and each meeting of any committee on which he or she sits. Attendance in person is preferred but attendance by teleconference is permitted if necessary, under the rules set forth by relevant laws and regulations for procedure, quorum and voting.

Director Preparedness.

Each Director should be familiar with the agenda for each meeting, have carefully reviewed all other materials distributed in advance of the meeting, and be prepared to participate meaningfully in the meeting, and to discuss all scheduled items of business.

Confidentiality.

The proceedings and deliberations of the Board and its committees are confidential. Each Director will maintain confidentiality of information received in connection with his or her service as a Director, including discussions and information on processes of the Board and its Committees.

Board Self-Evaluation

At least annually, the Board will evaluate its performance and effectiveness.

Committees

Committees.

The Board will appoint from among its members any committees it determines are necessary or appropriate to conduct its business. Currently, the standing committees of the Board are the Audit Committee and the Nomination, Remuneration and Performance Evaluation Committee.

Committee Composition.

The Board Audit Committee will consist solely of Independent Directors. The Nomination, Remuneration and Performance Evaluation Committee shall be comprised of both Directors and Independent Directors provided that the majority of the members be Independent Directors

Managing Director Performance Review

At least annually, the Nomination, Remuneration and Performance Evaluation Committee shall, with support of the Board excluding the Chairman, review the performance of the Managing Director in light of the Company's goals and objectives.

Succession Planning

At least once every two years, the Board will review succession plans for senior management positions within Esso (Thailand). Succession planning will address both succession in the ordinary course of business and contingency planning in case of unexpected events.

Standards of Business Conduct

The Company has adopted comprehensive standards of business conduct. Each Director is expected to be familiar with and to follow these standards, as well as these Board Governance Guidelines. The Company Secretary and Controller will review any issues arising under the applicable standards of business conduct with respect to an executive officer or Director and will report its findings to the full Board. The Board does not envision that any waivers will be authorized.

Non-Employee Director Compensation

Compensation for non-Employee Directors will be proposed by the Board on the recommendation of the Nomination, Remuneration and Performance Evaluation Committee, and will be reviewed and approved by 2/3 of shareholders present at the annual general meeting. Non-Employee Director compensation will be set at a level that is consistent with market practice, taking into account the size and scope of Esso (Thailand)'s business and the responsibilities of its Directors.

Directors who receive separate compensation from the Company or its affiliates for any type of full-time service rendered are not eligible for remuneration as directors. Total remuneration paid to directors and executive shall be disclosed in the form as required by laws.



b) Director and Executive Development Guideline

It is expected that directors remain well-informed regarding current aspects of the Company's operations, projects, and best practices in corporate governance. In that regard, the Board encourages directors to participate in continuing education opportunities inside and outside of the Company, such as the programs offered by the Thai Institute of Directors Association (IOD) and Thai Listed Companies Association (TLCA).

c) Subsidiaries' Operation Monitoring

The Company as the shareholder shall appoint its representative to attend the meeting of its subsidiaries. The representative of the Company shall vote at the general meeting of shareholders in accordance with the principle or guidance provided by the Company. The Company shall have the same rights as other shareholders except for certain rights

e.g. right to receive a dividend payment or right to nominate director in those subsidiaries pursuant to Articles of Association of those subsidiaries. In the past, the Company, as the shareholder, passed the resolution to appoint the Company's employees as the directors and managing director of those subsidiaries. Those directors shall have power to operate the business in accordance with policy, objectives and articles of association, resolutions of board of directors and shareholders as well as applicable laws.

Shareholders and Stakeholders Policy and Guideline

(1) Rights of Shareholders

The Company recognizes the rights of shareholders, including but not limited to the right to freely buy, sell, or transfer shares; to participate in, express opinions at, raise questions during, or propose agenda items for the annual general meeting of shareholders; nominate directors; and vote at general meetings of shareholders regarding the Company's performance, election or removal of directors, directors' remuneration, appointment of external auditors, auditor's fee, declaration of final dividends, amendments to the Memorandum and Articles of Association, capital increases or decreases, and the approval of extraordinary transactions requiring shareholder approval.

Shareholders are provided with adequate information regarding issues presented for voting at general meetings of shareholders in a timely manner to enable shareholders to exercise their voting rights effectively including but not limited to the following:

- Election of directors: information of candidates including educations, experience and position in other company(ies), business(es) or organization(s);
- Directors Remuneration: composition and amount of remuneration proposed for approval at the shareholders' meeting;



- Appointment of external auditors and auditor's fee: names and firm auditors proposed for appointment, proposed auditor's fee and number of years serving as the external auditor of the Company (in case of an appointment of same external auditor);
- Declaration of final dividend: summary of clarification for shareholders' use for casting their vote on proposed final dividend;
- Other significant matter(s) e.g. capital increases or decreases, amendments to Articles of Association, sale, cease or transfer of its principle business operation, amalgamation etc: adequate information to meeting an objectives of a proposed matter including impact to the Company and shareholders.

In addition to the above information, shareholders are provided with relevant opinions of the directors, regarding each agenda items presented for voting at general meetings of shareholders to enable

shareholders to exercise their vote. The Company complies with requirement stipulated in the Articles of Association and applicable laws and regulations regarding shareholders' meeting including posting the completed set of the notice of general meeting of shareholders in both Thai and English on the Company's website at least 30 days before the meeting which includes requirement for attendance the shareholders' meeting and agenda items in advance as required by relevant laws and regulations.

Shareholders are appropriately invited to share their opinion and ask questions at the shareholders' meeting. Annual general meetings of shareholders are attended by relevant knowledgeable executives to answer questions. The minutes of meeting are duly prepared in which relevant information is available including but not limited to names of directors and executives attending the meeting, summary of significant questions asked and relevant explanation and clarification provided at the meeting, proposed significant opinion, voting and calculation procedure, resolutions of each agenda items divided into approval, disapproval and abstain etc.

The Company facilitates and encourages its shareholders, including institutional shareholders, to attend the general meetings of shareholders. In case of physical meeting, the Company attempts to select a meeting venue accessible by mass transportation for the convenience of its shareholders. In case of an appointment of a proxy, shareholders, including institutional shareholders, are encouraged to submit registration documents duly prepared in accordance with rules stipulated in the notice of the general meeting of shareholders along with all supporting documents to the Company prior to the meeting date. A barcode system is used for registration and vote counting to expedite the registration and vote computation process. The Company also provides stamp duty for the appointment of proxies.

(2) Equitable Treatment of Shareholders

The Conflict of Interest is part of the Standards of Business Conduct. In general, it is the Company's policy that directors, officers, and employees should avoid any actual or apparent conflict between their own personal interests and the interests of the Company. A conflict of interest can arise when a director, officer, or employee takes actions or has personal interests that may interfere with his or her objective and effective performance of work for the Company. For example, directors, officers, and employees are expected to avoid actual or apparent conflict in dealings with suppliers, customers, competitors, and other third parties. Directors, officers, and employees are expected to refrain from taking for themselves opportunities discovered through their use of corporate assets or through their positions with the Company. Furthermore, directors, officers, and employees are expected to avoid securities transactions that are based on material, non-public information obtained through their positions with the Company. In relation to the potential misuse of insider information, the Company has undertaken the following steps:

- Educate the Company's executives regarding their responsibilities to report holdings of the Company's shares, and the penalties for non-disclosure under the Securities and Exchange Act B.E. 2535 and the Stock Exchange of Thailand regulations;
- Advise the Company's executives to report changes in such holdings of the Company's shares to the SEC in accordance with the Securities and Exchange Act B.E. 2535;

- Counsel the Company's executives on the sensitivities associated with the use of Company's information which may have a bearing on the Company's share price. The Company advises relevant employees one month prior to the release of the Company's financial statements not to disclose any material information prior to disclosure of such information to the SET and the board of directors; and
- Remind the Company's directors, executives, employees, and officers, that they and their respective spouses and dependents, are prohibited from using the Company's information to sell, buy, transfer, or receive any transfer of the Company's shares before such information is disclosed to the public. Any such use may violate applicable laws and subject the individual to disciplinary action by the Company.

(3) Role of Stakeholders

The Company recognizes the importance of the legal rights of various groups of stakeholders including shareholders, customers, employees, and communities. It is the Company's policy to comply with all governmental laws, rules, and regulations applicable to its business including but not limited to intellectual property and copyrights. We strive to provide channels for stakeholders to communicate their concerns (Whistle Blowing) to the Board of Directors and/or the Company with regard to potential irregularities, incorrect financial reporting, deficiencies in internal controls, or unethical practices as detailed in "Whistle Blowing" (Page 130).

The Company recognizes the importance and value of the communities and the environment in which we operate. The Company has a policy that sets the expectation of compliance with all applicable laws, rules, and regulations, and reiterates the importance of respect for local and national cultures. Above all other objectives, the Company is dedicated to running safe and environmentally responsible operations.

(4) Disclosure and Transparency


The Company expects compliance with its standards of integrity throughout the organization and will not tolerate employees who achieve results by violating laws or the Company's policies. The Company's directors and officers support, and expect the Company's employees to support, any employee who passes up an opportunity or advantage that would sacrifice ethical standards.

It is the Company's policy that all transactions will be accurately reflected in its books and records. This, of course, means that falsification of books and records and the creation or maintenance of any off-the-record bank accounts are strictly prohibited. Employees are expected to record all transactions accurately in the Company's books and records, and to be honest.

It is the Company's policy to make full, fair, accurate, timely, and understandable disclosures in reports and documents that the Company's files with the authorities or in other public communications. Relevant information is disclosed to shareholders in accordance with applicable laws. In the past year, the Company disclosed essential matters as required by relevant rules and regulations through the Stock Exchange of Thailand in a timely manner. Financial reports and relevant information are also posted on the Company's website (www.esso.co.th). All employees are responsible for reporting material information known to them to higher management so that the information will be available to executives responsible for making disclosure decisions.

Moreover, the Company's Investor Relations function serves as a focal point to conduct investor relations activities and ensure effective communication with investors and securities analysts. Various communication channels and methods are utilized including the Company's website, quarterly analyst meetings, company visits, e-mails, and telephone calls.

Investor Relations Contact

 02-407-4788

 essolR@exxonmobil.com



Standards of Business Conduct

Standards of Business Conduct

The Company has well-established “Standards of Business Conduct” consisting of policies and guidelines regarding ethical behavior in all aspects of its operations and business, and these Standards of Business Conduct apply to all officers and employees, without exception.

The Company’s Standards of Business Conduct contain 17 foundational policies as follows:

1. Ethics
2. Conflicts of Interest
3. Corporate Assets
4. Directorship
5. Gifts and Entertainment
6. Anti-corruption
7. Political Activities
8. International Operations
9. Antitrust
10. Health
11. Environment
12. Safety
13. Product Safety
14. Customer Relations and Product Quality
15. Alcohol and Drug Use
16. Equal Employment Opportunity
17. Harassment in the Workplace



While the Company’s policies cover a wide range of subjects, the uncompromising requirement for honesty, integrity, and ethical dealing is fundamental to all of them. In particular, the Company’s stringent standards against corruption are clearly reflected in the Ethics, Conflicts of Interest, Directorship, Gifts and Entertainment, and Anti-Corruption policies.

It is not only the policy of the Company to comply with all governmental laws, rules, and regulations applicable to its business, but the Company’s Ethics policy also goes further and requires that even where the law is permissive, the Company chooses the course of highest integrity. The Company expects compliance with its Standards of Business Conduct throughout the organization and will not tolerate employees who achieve results at the cost of violation of law or who deal unscrupulously.

The Company's directors and officers support, and expect the Company's employees to support, any employee who passes up an opportunity or advantage that would sacrifice ethical standards. Executives and employees are required to review these policies annually and provide electronic written confirmation of compliance.

It is the Company's policy that all transactions be accurately reflected in its books and records. This, of course, means that falsification of books and records and the creation or maintenance of any off-the-record bank accounts are strictly prohibited. Employees are expected to record all transactions accurately in the Company's books and records, and to be honest and forthcoming with the Company's internal and independent auditors.

The Company expects candor from employees at all levels and adherence to its policies and internal controls. One harm which results when employees conceal information from higher management or the auditors is that other employees think they are given a signal that the Company's policies and internal controls can be ignored when they are inconvenient. That mindset can result in corruption and demoralization of an organization. The Company's system of management will not work without honesty, involving bookkeeping, budget proposals, and economic evaluation of projects. Local customs and practices may differ from place to place, but honesty is not subject to criticism in any culture.

The Company believes that a well-founded reputation for honest dealing is itself a priceless corporate asset. In support of these policies, the Company has adopted detailed guidelines and programs, such as:

1. Conflicts of Interest Guidelines
2. Directorship Guidelines
3. Gifts and Entertainment Guidelines
4. Guidelines for Interaction with Government Officials
5. Anti-corruption Legal Compliance Guidelines

Anti-Corruption Practice

The Company's anti-corruption policy and compliance program are based on global ExxonMobil standards, which meet stringent US, UK and EU standards. While these have always been part of the Company's way of doing business, the Company formalized the policy and programs in 2011 and 2012. The Company's board of directors adopted the Anti-Corruption policy in November 2011, and added it to its Standards of Business Conduct so it is explicit to all employees and stakeholders. The Company's Chairman formally endorsed a consolidated Anti-Corruption Compliance Program in November 2012, setting out the practical framework, which contains six (6) elements as follows:

1. Management Leadership and Accountability
2. Assessment of Risk
3. Prevention and Detection Procedures and Measures
4. Communication of Policies and Procedures
5. Training
6. Assessment of Effectiveness.

These elements require management to:

- Provide visible leadership and be accountable for the Company's anti-corruption efforts
- Continually assess anti-corruption risks in the Company's operations and businesses, review these with legal counsel, as needed, and take appropriate mitigation or corrective action
- Have in place appropriate controls and procedures to detect and prevent corruption
- Regularly communicate the Company's anti-corruption policy, guidelines and programs to employees
- Provide regular training in all applicable anti-corruption laws, including US Foreign Corrupt Practices Act, UK Bribery Act and Thai anti-corruption laws, to ensure consistent understanding among all employees
- Conduct regular internal audits and internal self-assessments to help ensure rigorous enforcement of the Company's ethical standards

The Company guidelines provide detailed explanations and practical rules for complying with the relevant policies, and avoiding conflicts between the Company's interests and those of officers and employees, whether real or apparent. In particular, these policies and guidelines seek to prevent corruption, and uphold the integrity of the Company in all its operations and businesses without exception. For example, The Gifts and Entertainment Guidelines defines the scope of "gifts" and "entertainment", the review and approval requirements for providing and receiving gifts and entertainment, and acceptable business contexts

for providing and receiving gifts and entertainment. Another example is the Guidelines for Interaction with Government Officials, which defines "Government Officials", as well as "gifts", "entertainment" and "hosting" offered or provided to Government Officials, and the review and approval requirements for the same. It should be noted that the gift of cash or



cash equivalents of any nature are strictly prohibited, as are facilitating payments of any kind. Further, high-value entertainment and hosting is subject to additional rules and stricter review processes.

Failure to behave honestly, to comply with law, the Company's policies, and the Company's internal controls may result in disciplinary action, up to and including separation. No one in the Company has the authority to make exceptions or grant waivers to the Company's foundation policies.

The Company also enforces these ethical standards with contractors and third parties acting on our behalf. Contractors and third parties acting on behalf of the Company are prohibited from making payments to or engaging in transactions with government officials that improperly influence the proper performance of their official duties. The Company makes efforts to include in all procurement contract requirements to keep accurate books and records and, where appropriate, contains anti-bribery commitments from our vendors and suppliers.

Whistle Blowing

The Company has an Open Door Communications Procedure set out in the Standards of Business Conduct which encourages employees to ask questions, voice concerns, and make appropriate suggestions regarding the business practices of the Company. Employees are expected to report promptly to management suspected violations of law, the Company's policies, and the Company's internal controls, so that management can take appropriate corrective action. Depending on the subject matter



of the question, concern, or suggestion, each employee has access to alternative channels of communication, for example, the Controller's Department; Internal Audit; the Human Resources Department; the Law Department; the Safety, Health and Environment Department; the Security Department; and the Treasurer's Department. Suspected violations of law or the Company's policies involving a director or executive officer, as well as any concern regarding questionable

accounting or auditing matters, should be referred directly to the Company's General Auditor. Employees may also address communications to individual non-employee director or to the non-employee directors as a group or make complaints without identify themselves via communication channel as detailed in the Open Door Communication Procedure. As a protection measure, no action may be taken or threatened against any employee for asking questions, voicing concerns, or making complaints or suggestions in conformity with the procedures described above, unless the employee acts with willful disregard of the truth.

Moreover, stakeholders can directly report to the Board of Director/ Audit Committee any concerns, violations of law, inaccuracy of financial reporting, defective of internal controls, violations of ethics via Investor Relations as per contact details prescribed in "Other significant information - Investor Relations" (Page 146). Investor Relations will contact responsible director/executive for further investigation as necessary. Suspected matters involving particular director or executive shall be referred to internal audit or other director(s)/executive(s) for further investigation or via communication channel as details in the Open Door Communication Procedure as aforementioned.

The full text of these foundational policies and the Open Door Communications Procedure can be found on the Company's website at www.esso.co.th.

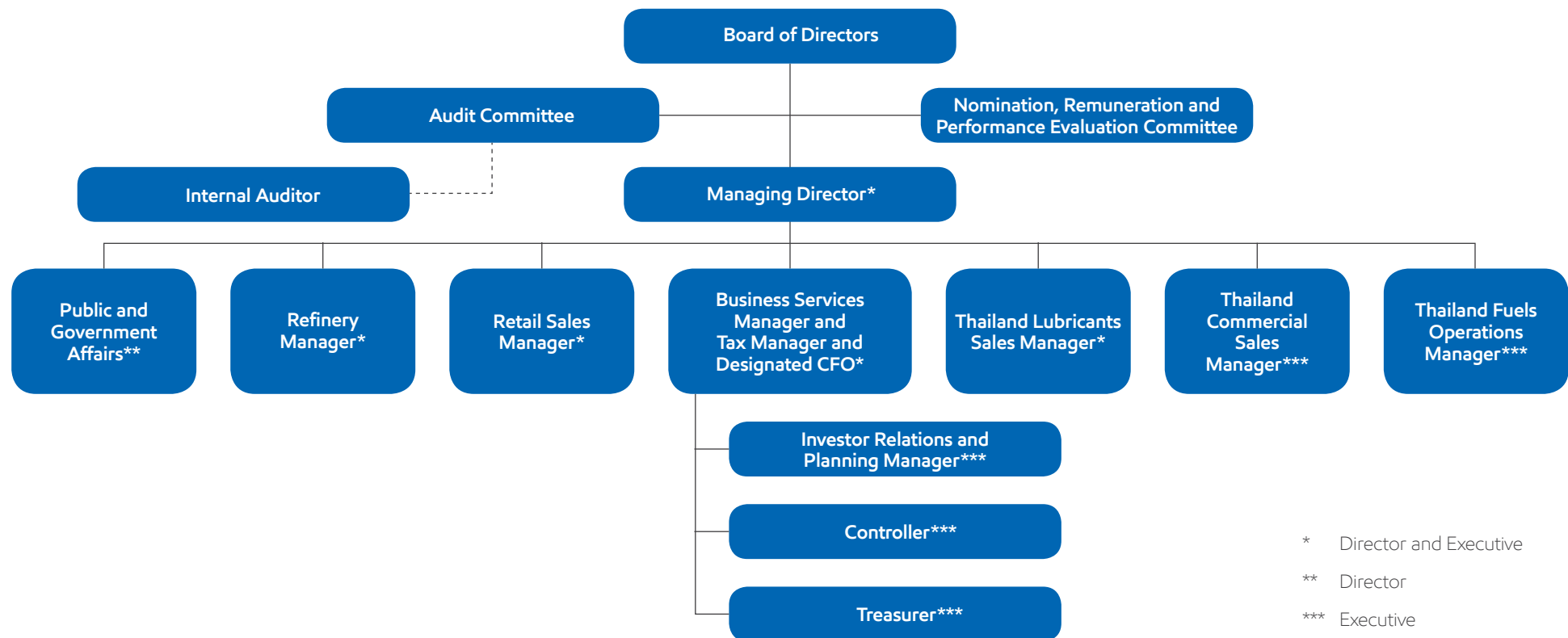
Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year

In 2021, the Board acknowledged the result of annual review of the application of the 2017 Corporate Governance Code conducted by working team as assigned by the Board. In general, the Company's existing policies, tools, processes, and practices substantially fulfill the intended outcome of the 2017 CG Code. Moreover, in 2021, the Company achieved 100% credit rating of 2021 Annual General Meeting performed by Thai Investors Association and Corporate Governance Report Score performed by Thai Institute of Directors Association at 85% increased from 76% in 2020.

Structure of Corporate Governance and significant information regarding the Board of Committee, Subcommittee, Management, Employees and others

Corporate Governance Structure

Corporate structure as of this 56-1 One Report Preparation



The Company's management, which fulfills assuming the roles and responsibilities of a risk management committee, regularly conducts a rigorous and disciplined review process to ensure risk management plans are embedded as an integral part of every business process, are consistent and aligned with the Company's strategies.

Information on the Board of Directors

Structure of the Board of Directors

The Board of Directors consists of 12 directors with no less than one-third of the Board being comprised of Independent Directors as per definition set forth by the Office of the Securities and Exchange Committee and the Stock Exchange of Thailand. However as of this 56-1 One Report preparation, the Board of Directors consist of 11 directors due to the resignation of 1 director and the Company is currently looking for the replacement. Eleven directors are as follows:

- 5 directors (45.45% of total number of directors) also holds executive officer positions
- 1 director (9% of total number of directors) have no executive officer positions but being employee of the Company and/or the Company's affiliates
- 5 independent directors (45.45% of total number of directors); 3 of them are members of the Audit Committee and 2 of them are members of the Nomination, Remuneration and Performance Evaluation Committee



Details of the Board of Directors

The Board of Directors as of this 56-1 One Report preparation comprises the below. Director qualifications are provided in Attachment 1.

No.	Name	Position
1	Mr. Adisak Jangkamolkulchai	Chairman
2	Mr. Wattana Chantarasorn	Independent Director and Chairman of Audit Committee
3	Ms. Prachit Hawat	Independent Director, Member of Audit Committee, and Member of Nomination, Remuneration, and Performance Evaluation Committee
4	Mr. Buranawong Sowapru	Independent Director, Chairman of Nomination, Remuneration, and Performance Evaluation Committee, and Member of Audit Committee
5	Mr. Boontuck Wungcharoen	Independent Director
6	Mr. Taweesak Bunluesin	Director and Member of Nomination, Remuneration, and Performance Evaluation Committee
7	Ms. Ratrimani Pasiphol	Director
8	Mr. Suchart Phowatthanasathian	Director
9	Mr. Manoch Munjitjuntra	Director
10	Mr. Jesada Chancherngkij	Director
11	Mr. Pornchai Thiraveja ⁽¹⁾	Independent Director

Ms. Pantip Sripimol resigned as independent director effective November 16, 2021 and Ms. Pajaree Meekangvan resigned as director effective January 3, 2022.

⁽¹⁾Mr. Pornchai Thiraveja was appointed as Independent Director to replace Ms. Pantip Sripimol effective February 24, 2022.

Ms. Angsna Pirentorn is the Company secretary

As the Chairman of the Board also serves as the Managing Director of the Company, to ensure the balance of power between the Board of Directors and management, the Chairman will review the meeting agenda items throughout the year with the Board of Directors including 5 independent directors. The Chairman will call the Board of Directors' meeting consistent with draft whole year agenda items reviewed by the Board of Directors at the end of preceding year. However, any additional agenda items may be determined and discussed at the Board as necessary and appropriate. Notwithstanding with the aforementioned, consistent with SET Regulation, those functions shall be separated when the directorship term of current Chairman expires.

Scope of Duties and Responsibilities of the Board, Chairman and Managing Director

(a) Roles and responsibilities of the Board of Directors

The Board of Directors has full power and authority to conduct the Company's business in accordance with the Company's policies, objectives, Articles of Association, Board and shareholder resolutions and applicable laws. The Board also has duties and responsibilities prescribed in applicable laws. The Board appreciates the importance of good corporate governance, and believes in the following principles:

- Commitment to the creation of sustainable value to the business in the long run, management of the business with prudence, and the avoidance of conflicts of interest;
- Consider and review the Company's visions, mission, and strategy, promote governance outcomes as a framework for the operation of the Company and ensure that the Company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively;

- Operation of the business in a transparent way with adequate disclosure to relevant parties;
- Operation of the business based on appropriate risk control and management systems;
- Implementation of appropriate Standards of Business Conduct applicable to the Company's directors, officers, and employees;
- Regularly monitoring financial liquidity and debt servicing ability together with the management committee, including discussion to establish a mechanism to support operations under tight financial constraints;
- Review succession plans for senior management positions within the Company at least once every two years. Such succession plan was recently reviewed in 2021;
- Conduct an annual internal review of the implementation of recommended corporate governance practices as described by the 2017 Thai Corporate Governance (CG) Code by means that are suitable to the Company's business; and
- The Board will issue a directors' report on the activities of the Company and its financial performance for review prior to the shareholders' meeting. In the past year, the Board of Directors duly conducted the Company's business in accordance with principles stipulated above including but not limited to considering and reviewing the Company's visions, missions and strategy as well as monitoring the implementation of Company's strategies;

(b) Roles and responsibilities of the Chairman are as follow:

- Determination of agenda items to be discussed at the Board of Directors' meetings and calling Board of Directors' meetings consistent with agenda items reviewed and approved in advance by the Board of Directors (including independent directors) in the previous year. However, the Chairman may consider adding any specific agenda items when appropriate.
- Presiding as the Chairman of the Board of Directors' meeting and shareholders' meeting and conducting Board meeting and shareholders' meeting in compliance with the sequence of the agenda specified in the notice of meeting, Company's Articles of Association, and relevant laws and regulations.

(c) Roles and Responsibilities of the Managing Director are as follows:

The Managing Director has full authority to manage the affairs of the Company in accordance with its policies, objectives, Articles of Association, Board of Directors' and Shareholders' resolutions, and applicable laws provided that the Managing Director may not exercise such authority if he/she has a conflict of interest in any manner with the Company, in exercising such authority.

If the Managing Director delegates authority to a person, such person shall have the right to exercise such authority on the Managing Director's behalf, provided that such person may not exercise such authority if he/she has a conflict of interest in any manner with the Company, in exercising such authority.

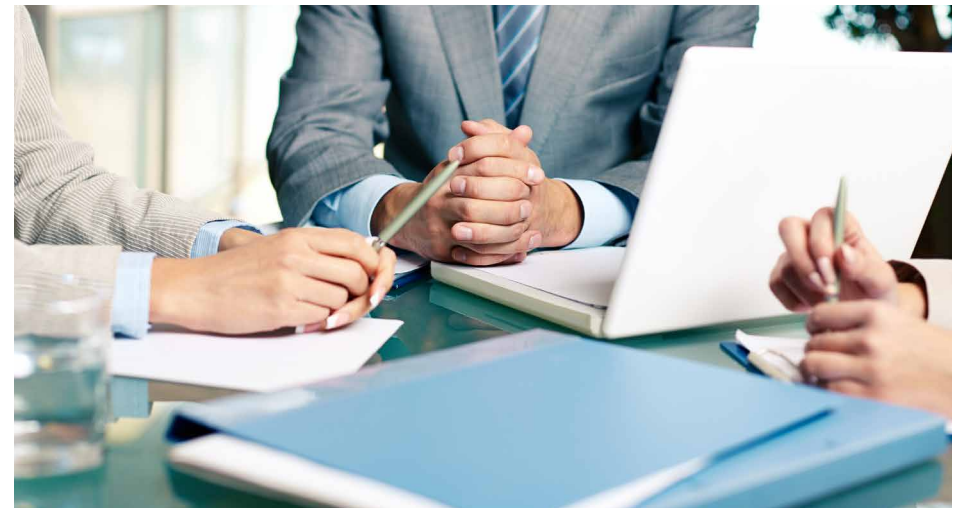
Nevertheless, the Board of Directors', pursuant to its resolutions, has set some limitation on the Managing Director's power such as the Managing

Director is authorized to singly sign a check up to Baht 1 million only.

(d) Authorized Directors to sign to bind the Company

As of this 56-1 One Report Preparation, authorized directors to sign to bind the Company are: Mr. Adisak Jangkamolkulchai and the impression of the Company's seal will bind the Company. Any two of the following five directors and the impression of the Company's seal will bind the Company: Mr. Taweesak Bunluesin, Mr. Suchart Phowatthanasathian, Mr. Manoch Munjitjuntra, Ms. Ratri mani Pasiphol, and Mr. Jesada Chancherngkij.

The powers exercised in any actions involving court proceedings, public prosecution, interactions with the police and other governmental entities will require the impression of the Company seal and the signature of any one of the following directors of the Company: Mr. Adisak Jangkamolkulchai, Mr. Taweesak Bunluesin, Mr. Suchart Phowatthanasathian, Mr. Manoch Munjitjuntra, Ms. Ratri mani Pasiphol, and Mr. Jesada Chancherngkij.



(e) Board of Directors' Meeting

In accordance with the Articles of Association, the Board normally meets once every three months. However, additional meetings may occur as required. The dates of the Board meetings throughout the year are scheduled with notification provided to each director in advance. Normally, the notice of the meeting is sent to the directors at least seven days prior to the date of the meeting. The Chairman will review the agenda items throughout the year with the Board including independent directors. However, any additional agenda items may be determined and discussed at the Board of Directors' meeting as necessary and appropriate. Where it is necessary or urgent to preserve the rights or benefits of the Company, the Chairman of the Board or any person assigned by him may call a meeting by other methods and may set an earlier meeting date. At the Board of Director's Meeting, the meeting agenda items will be clearly set and adequate meeting materials will be distributed to each director in advance. This allows director to have sufficient time to be familiar and carefully review materials prior to attending the meeting. Directors are invited to render their reasonable opinion. The minutes of key items are documented and presented for approval at subsequent Board meetings and retained for inspection by relevant persons. Normally, when passing resolutions at the Board meeting, directors of not less than two-third of all directors present at the Board meeting.

In addition, independent directors may meet as necessary among themselves without the management team to discuss their concerns about management issues. The outcome is relayed to the Board. In the past year, independent directors being members of Audit Committee met among themselves without the management team.

(f) Nomination of directors

In the event a director vacancy arises or in the event that an additional director is to be appointed, the Nomination, Remuneration and Performance Evaluation Committee, together with the Chairman and the working group, will nominate a slate of qualified director candidate for election to the Board. The Board will elect director with relevant knowledge, experience, and skill consistent with the Board Governance Guidelines to fill the vacancy. An appointed director must have all the qualifications set out in Section 68 of the Public Limited Companies Act B.E. 2535 (and as amended) and the Securities and Exchange Commission Notification, "The Characteristics including a Lack of Suitability and Trustworthiness of the Director and Executive" (and as amended). For directors retiring by normal rotation or for election of new directors, after the Board has approved the list of director nominees, the Board will propose the list of nominees at a general meeting of shareholders in accordance with the voting procedure described under "Board Composition, Appointment, Removal or Resignation/Retirement".

(g) Board of Directors Composition, Appointment, Removal or Resignation/Retirement

The appointment, removal, or resignation of directors is prescribed in our Articles of Association which is summarized as follows:

1. The Board shall consist of at least five directors and not less than half of the directors are required to reside in Thailand with no less than one-third of the Board being comprised of Independent Directors as per definition set forth by the Office of the Securities and Exchange Committee and the Stock Exchange of Thailand.

2. The shareholders shall appoint directors in accordance with the following principles and procedures:
 - (a) In the election of each director, each shareholder will have vote(s) equal to the number of shares held by him/her.
 - (b) Each shareholder may vote all of his/her shares in the exercise of the right he/she has under (a) to elect each of the candidates of his/her choice as a director but he cannot split his/her shares and cast his/her split votes in favor of two or more candidates to one directorship; and
 - (c) Candidates who receive the largest number of votes in descending order from the highest to the lowest number of votes received will be elected until all director positions required at such time are filled. In the event of candidates receiving equal votes and exceeding the number of vacancies to be filled, the chairman of the meeting shall have a casting vote, or, in case the chairman is not the Company's shareholder, the decision shall be made by drawing a lot;
3. At each annual general meeting of shareholders, one-third or the number of directors closest to one-third, of the Board is required to retire. Retiring directors are eligible for re-election;
4. Any director who decides to resign must submit a letter of resignation to the Company. The resignation shall be effective on the date the Company receives the letter; and

Removal of a director before the end of the term shall require a resolution of shareholders passed by not less than three-fourths of the total votes of shareholders and proxies (if any) attending the meeting and eligible

to vote and not less than one-half of the total number of shares held by shareholders and proxies (if any) attending the meeting and eligible to vote.

(h) Independent director

In addition to the qualification described in item "Scope of Duties and Responsibilities of the Board, Chairman and Managing Director - (f) (Nomination of Directors)" (Page 136) , independent directors meet the following qualifications pursuant to the regulation of the Securities and Exchange Commission and Stock Exchange of Thailand:

- (a) Not hold shares exceeding 1% of the total number of voting rights of the Company, its parent company, its subsidiaries, affiliates, major shareholder, or controlling person, including the shares held by related persons of the independent director;
- (b) Not be nor have been an executive officer, employee, staff, salaried consultant, or a controlling person of the Company, its parent company, its subsidiaries, affiliates, same-level subsidiaries, major shareholder, or controlling person unless foregoing status has ended not less than two years prior to the date of appointment except where the independent director(s) was the government officer or consultant of the government agency which is the major shareholders or a controlling person of the Company;
- (c) Not be a person related by blood or registration under laws, such as father, mother, spouse, sibling or child, including spouse of the children, executives or majority shareholders or controlling persons or persons to be nominated as executive or controlling persons of the Company or its subsidiaries;

(d) Not have business relationship with the Company, its parent company, its subsidiaries, affiliates, major shareholder or controlling person which may interfere with his independent judgment and neither being nor having been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, its subsidiaries, affiliates, major shareholder or controlling person unless the foregoing relationship has ended not less than two years prior to the date of appointment.

The term “business relationship” includes the normal business transaction, rent or lease of immovable property, transactions related to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions which result in the Company or its counterparty being subject to indebtedness payable to the other party amounting to three (3) percent or more of the net tangible assets of the Company or Baht twenty (20) million, whichever is lower. The value of the business relationship shall be calculated according to the method stipulated by the Capital Market Supervisory Board governing rules on connected transactions. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

(e) Neither be nor have been an auditor of the Company, its parent company, its subsidiaries, affiliates, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, its subsidiaries, affiliates, major shareholder or controlling person unless the foregoing relationship has ended not less than two years prior to the date of appointment;

- (f) Neither be nor have been any professional advisor, including legal advisor or financial advisor, who receives an annual service fee exceeding two million Baht from the Company, its parent company, its subsidiaries, affiliates, major shareholder or controlling person, and neither being nor having been a significant shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended not less than two years prior to the date of appointment;
- (g) Not be a director who has been appointed as a representative of the Company’s director, major shareholder or shareholders who are related to the Company’s major shareholder;
- (h) Not operate a business of the same nature as and in competition with the Company or subsidiaries nor be the partner or executive, director, employee, staff, salaried consultant or hold shares exceeding 1% of the total number of voting rights of the other companies operating the business of the same nature as and in competition with the Company or subsidiaries; and
- (i) Not have any characteristics which make him incapable of expressing independent opinions with regard to the Company’s business affairs.



Sub-Committee

Sub-Committees consist of:

Audit Committee

The Audit Committee, which was appointed by the Board of Directors, is comprised solely of independent directors who meet the qualifications set out in the Securities and Exchange Commission and Stock Exchange of Thailand regulations. The Chairman and members of the Audit Committee hold office for a term of three years subject to them meeting the requisite qualifications and remaining as directors of the Company. The Chairman of the Audit Committee may be rotated as deemed appropriate by the Board.

The Audit Committee members listed below were re-elected (as the case may be) for another 3-year term effective October 19, 2020:

Name		Position
Mr. Wattana	Chantarasorn	Independent Director / Chairman
Mr. Buranawong	Sowapru	Independent Director / Member
Ms. Prachit	Hawat	Independent Director / Member (with accounting and finance background)

Mr. Suwat Srikanapongse is the Audit Committee Secretary.
Mr. Kriengkrai Srisawat is the Audit Committee Coordinator.

The scope of duties and responsibilities of the Audit Committee are as follows:

1. To review the Company's financial reporting process to ensure accuracy and adequacy;
2. To ensure that the Company has a suitable and efficient internal control system and an internal audit system, to determine the internal audit unit's independence, as well as to approve the appointment, transfer, and dismissal of the chief of an internal audit unit or any other unit in charge of internal audit;
3. To review the performance of the Company to ensure compliance with the securities and exchange law, regulations of the Stock Exchange of Thailand and laws relating to the business of the Company;
4. To consider, select, nominate, and recommend remuneration of the Company's external auditors (in practice, if the Audit Committee thinks fit, to recommend dismissal the Company's external auditor) as well as to attend a non-management meeting with the external auditor at least once a year;
5. To review connected transactions or transactions that may lead to a conflict of interest so as to ensure that they are in compliance with laws and the Exchange's regulations, and are reasonable and for the benefit of the Company;
6. To review the Company's risk management process to ensure their effectiveness and compliance with the international standards;

7. To prepare a report on monitoring activities of the Audit Committee and disclose it in the annual report of the Company, and have such report signed by the Chairman of the Audit Committee provided that it shall consist of at least the following information:
- (a) an opinion on the reliability, completeness, and credibility of the Company's financial reports,
 - (b) an opinion on the adequacy of the Company's internal control system,
 - (c) an opinion on the adequacy on the risk management process implemented by the Company's management,
 - (d) an opinion on the Company's compliance with the securities and exchange laws and regulations, and other laws applicable to the Company's business,
 - (e) an opinion on the suitability of the nominated external auditors,
 - (f) an opinion on transactions that may lead to conflicts of interest, if any,
 - (g) the number of audit committee meetings, and the attendance at such meetings by each committee member,
 - (h) an opinion or general comment observed by the audit committee from its performance of duties in accordance with the charter, and
 - (i) other transactions, within the scope of duties and responsibilities assigned by the Board, which, according to the audit committee's opinion, should be disclosed to the shareholders and general investors;
8. To perform any other task assigned by the Board and agreed to by the Audit Committee;
9. To report to the Board for rectification within the period that the Audit Committee thinks fit if the Audit Committee found or suspected that there is a transaction or any of the following acts which may materially or significantly affect the Company's financial condition and operating results;
- (a) a transaction which causes a conflict of interest;
 - (b) any fraud, irregularity, or material defect in an internal control system; or
 - (c) an infringement of the securities and exchange laws and regulations, or any law applicable to the Company's business; and
10. To review without delay after receiving written notice from the external auditor of the discovery of any suspicious circumstance that the director, manager, or any person responsible for the Company commits an offence as prescribed by the relevant Securities and Exchange regulations, report any finding confirming the suspicion of the external auditor to the Board and request the Board to disclose such finding to the Office of the Securities and Exchange Commission and/or the external auditor or to the Office of the Securities and Exchange Commission and/or the external auditor as required by the Securities and Exchange Act within thirty days.



Nomination, Remuneration and Performance Evaluation Committee

The Nomination, Remuneration and Performance Evaluation Committee (NRP Committee), which was appointed by the Board of Directors, is, in consultation with the Chairman and the Company's working team, to nominate and propose to the Board a slate of director candidates for election and propose the Board and to consider setting the structure of directors' remuneration. The scope of duties and responsibilities are also to assess the performance of the Managing Director, to review the Managing Director's performance with the Board, and to provide feedback to the Managing Director's home affiliate regarding such performance during the regular performance appraisal cycle. The NRP Committee is comprised of 3 directors, two of which are independent directors. The Chairman and members of the NRP Committee will hold office for a term of two years subject to them retaining their position as directors of the Company. The NRP Committee members listed below were re-appointed for another 2-year term effective November 29, 2021:

Name	Position
Mr. Buranawong Sowaprun	Independent Director, Chairman of Nomination, Remuneration and Performance Evaluation Committee
Ms. Prachit Hawat	Independent Director and Member of Nomination, Remuneration and Performance Evaluation Committee
Mr. Taweesak Bunluesin	Director and Member of Nomination, Remuneration and Performance Evaluation Committee acting as Secretary of the committee

The scope of duties and responsibilities of the NRP Committee are as follows:

1. In consultation with the Chairman of the Board and the Company's working team, to set up a guideline and candidate selection methods and subsequently review the guideline with the Board
2. Review onboarding professional development program for directors
3. Recommend appointment and reappointment of directors/independent directors

In consultation with the Chairman of the Board and the Company's working team, to make recommendation to the Board:

- (i) a slate of director candidates for election to replace the retiring director/independent director at the end of their terms or whatever the case may be for Board's recommendation to the shareholders for their consideration and approval at the Annual General Meeting of Shareholders; and
 - (ii) a name of director candidate for election to replace the resigning director/independent director for Board's approval
4. Recommend remuneration of director

In consultation with the Chairman of the Board and the Company's working team, to make recommendation and propose the Board and to consider setting the structure of directors' remuneration taking into account all appropriate factors including market compensation level for directors for Board's recommendation to the shareholders for their consideration and approval at the Annual General Meeting of Shareholders. In any case, the directors who receive separate compensation from the Company or its affiliates for any type of full-time service rendered are not eligible for remuneration as directors.

5. Evaluate Managing Director's performance

- (i) To develop Key Performance Indicators (KPI's) and metrics for evaluating the performance of the Managing Director
- (ii) To evaluate the performance of the Managing Director based on such KPI's and metrics, and review the performance with the Board of Directors, and provide appropriate feedback to the Managing Director's employing affiliate regarding such performance during the regular performance appraisal cycle of all employees



Information of Executives

The following executive officers constituted the management committee as of the preparation of 56-1 One Report. Executives' qualifications are provided in Attachment 1. (Refer to the Company's organization chart in "Corporate Governance Structure")

	Name		Position
1	Mr. Adisak	Jangkamolkulchai	Chairman and Managing Director
2	Mr. Jesada	Chanherngkij	Director and Retail Sales Manager
3	Mr. Manoch	Munjitjuntra	Director and Thailand Lubricants Sales Manager
4	Mr. Suchart	Phowatthanasathian	Director and Refinery Manager
5	Ms. Ratrimani	Pasiphol	Director and Business Services Manager and Tax Manager and Designated CFO
6	Ms. Matana	Sutatham ⁽¹⁾	Investor Relations and Planning Manager
7	Mr. Vanchai	Vichakchon	Thailand Commercial Sales Manager
8	Ms. Vorraya	Kosalathip	Treasurer
9	Mr. Chatchawarn	Hongcharoenthai ⁽²⁾	Thailand Fuels Operations Manager
10	Mr. Suwat	Srikanapongse	Controller

⁽¹⁾ Ms. Matana Sutatham was appointed as Investor Relations and Planning Manager to replace Ms. Jutarat Wareechuensuk effective August 1, 2021.

⁽²⁾ Mr. Chatchawarn Hongcharoenthai was appointed as Thailand Fuels Operations Manager to replace Mr. Warathum Tungjittiplakorn effective November 1, 2021.

Executives Remuneration Policy

The detail is elaborated in "Total Remuneration of Employees".

Total Executives Remuneration

For the fiscal year ended December 31, 2021, the total executive remuneration for 14 persons (including 10 executives whose names are listed in "Information of Executives", 1 manager who resigned from her directorship, 2 executives whose executive positions were ceased in 2021, and 1 manager of the Company's affiliate based on his actual management provided to the Company), which includes salaries, wages, benefits, and post-employment benefits, to the extent borne by the Company, was Baht 86.1 Million. Other remuneration of executives is included in "(b) Other Remuneration". No other remuneration from any subsidiaries was paid to any Executives.

Name	2020		2021	
	Number of Executives	Amount (thousands Baht)	Number of Executives	Amount (thousands Baht)
Salaries and other short-term employment benefit	14	76,449	14	70,187
Post-employment benefit	14	21,328	14	15,904
Bonus	14	0	14	0
Total		97,777		86,091

Employees Information

No. of Employees

As of December 31, 2021, the Company has 517 employees as follows:

Corporate	21
Refining & Distribution ⁽¹⁾	406
Retail & Lubricants ⁽²⁾	90
Chemical	0
Total Company personnel	517

⁽¹⁾ Includes engineers, technical staff and operators at the refinery, also commercial and export sales personnel

⁽²⁾ Includes retail and lubricant sales personnel

The Company contracted ExxonMobil affiliates to provide services such as human resources, accounting, information technology, purchasing, selling and administrative services.

Labor Dispute during the past 3 years

The Company has no significant Labor Dispute during the past 3 years.

As of December 31, 2021, 178 of our employees were unionized. Most of these employees are workers at our Sriracha Refinery. There is no conflict between management and the Union.

Employees' remuneration

(a) Salary remuneration

Total employee remuneration for 2021 was Baht 713 million. Employees' annual salary increase is determined based on their contribution and annual performance evaluation.

(b) Other remuneration

Other benefits include annual vacation, maternity leave, insurance, and health insurance. In addition, some of our employees and executives have participated in the Equity Incentive Plan, which is an Exxon Mobil Corporation incentive program. The Company believes the remuneration package meets Thailand industry standards including petroleum and aromatic industry. The Company set up an Employee Savings Plan effective January 1, 2009. The Company contributes 5% of employee monthly salary and also provides interest on such savings. The savings can be withdrawn only after 3 years. In 2021, the expense recognized under the Employee Saving Plan totaled Baht 32 million.

(c) Registered Provident Fund and Defined Benefit Plan

The Company set up the Registered Provident Fund/Defined Contribution Plan for employees that started working since 1997. The Company contributes 5-15% of employee salary to Registered Provident Fund, while employees contribute a minimum of 3%. The Registered Provident Fund Committee (RPF Committee) is comprised of 3 Company's representatives and 2 employees' representatives to jointly monitor investment policy and investment performance of Registered Provident Fund. The RPF Committee provides financial plan training to employees. The Company encourages the RPF Committee to select a fund manager that observes an Investment Governance Code and invests responsibly taking into account of environment, social and governance consistent with an investment governance. The guideline on fund manager selection is disclosed to all members.

For employees who joined the company prior to 1997, they could opt to participate in Registered Provident Fund/Defined Contribution Plan or remain in the Defined Benefit Plan (Pension Plan) which was calculated based on employees' service year and salary and presented in the Company financial statements. In 2021, the expense recognized under the defined benefit plan totaled Baht 217 million.

Numbers of employees participates in Registered Provident Fund are 271 equaling 52.42% of total employees.

Employee's Development Policy

The Company's capable and dedicated employees are one of its greatest strengths. Employee development systems utilize integrated processes to support the development of a highly-productive, dedicated, and motivated workforce.

The Company recruits talented individuals and invests in employee development through work assignments, on-the-job experience, and career-long training and education. Career development is undertaken as a shared responsibility between the Company and the employee. The Company promotes an environment of inclusion and diversity with high expectations that this will enhance employees' contributions to both individual and team goals.

The Company values talented people from diverse backgrounds, and inspires and empowers them to think independently, take initiative, and be innovative. With our focus on hiring local talents, the Company has created a positive impact on the economies in which the Company operates.

Our people development philosophy is to develop leaders and workforce from within, through a wide range of assignments and experiences. The Company encourages all employees to contribute fully to the achievement of superior business results.

Developing a premier workforce is the goal of the Company's career development process. The Company places a high priority on leadership and employee development, with an approach based on long-term



business orientation. Early identification and accelerated development of talent are critical. Employees' behavioral and functional skills and competencies are built through training and various work experiences in a wide range of assignments in multiple functions around Thailand and the world. The Company set clear expectations of our leaders in setting standards, creating clarity, inspiring and motivating, and promoting innovations to allow the Company to compete and win.

The Company provides education and skills development through a proven global training curriculum, customized to our business environment, and through on-the-job training provided by multiple assignments over a career. This helps us develop competent and committed employees who are prepared to meet future business needs, both locally and globally.

Other significant information

Company Secretary, Person assigned to take direct responsibilities for accounting oversight and Head of Internal Audit

(a) Company Secretary

Company Secretary was appointed to provide support the Board of Directors to manage meetings, distribute the notice of the meeting and materials, prepare the minutes of the meeting and perform other duties of company secretary including retaining a report of interest of directors, executives and their related person. Ms. Angsna Pirentorn was appointed as the Company Secretary effective March 28, 2008. Her qualification is provided in "Attachment 1".

(b) The person assigned to take direct responsibilities for accounting oversight

Mr. Amorn Manchanda, who is qualified as the accountant pursuant to the relevant notification of Department of Business Development, was assigned to take direct responsibilities for accounting oversight. His qualification is provided in "Attachment 1".

(c) Head of Internal Audit

Mr. Kriengkrai Srisawat was assigned, which was concurred by the Audit Committee, to assume Internal Audit Manager. His qualification is provided in "Attachment 3".

Investor Relations

Ms. Matana Sutatham was appointed as the Investor Relations and Planning Manager with effective August 1, 2021. Investors and other persons can contact Investor Relations at 02-407-4788 and/or essolR@exxonmobil.com.

Auditor Fee

The audit fees paid to the external auditor, PricewaterhouseCoopers ABAS Limited, for the 2021 accounting period were Baht 4,600,000. There were no non-audit fees paid to the Company's auditor.



Report on key operating results on corporate governance

Summary of duty performance of the Board of Directors in the past year

Selection, development and evaluation of duty performance of the Board of Directors

(1) Independent Directors

Independent director shall meet in “Board Governance Guideline – Director Selection and Qualifications”, “(f) Nomination of Directors” and “(h) Independent Director”. In 2021, Mr. Wattana Chantarasorn and Ms. Pantip Sripimol were re-elected/elected, as the case may be, at the Annual General Meeting of Shareholders 2021 (“2021 AGM”). As for the nomination process prior to proposing to the shareholders for approval, the Nomination Remuneration and Performance Evaluation Committee comprising of 2 independent directors out of 3 members, and the Board considered and assessed qualification, performance and the independence of Mr. Wattana Chantarasorn and Ms. Pantip Sripimol and was of the opinion that they should be re-elected/elected, as the case may be, as the independent directors.

(2) Nomination, composition and appointment of director

Nomination of director

In addition to the nomination and appoint of independent directors as prescribed in “(1) Independent Directors, in 2021, the Nomination Remuneration and Performance Evaluation Committee, comprising of 2 independent directors out of 3 members, and the Board scrutinizingly considered and assessed qualification, performance and ability of Ms. Rattrimani Pasiphol and Mr. Manoch Munjitjuntra, whose terms expired at the 2021 AGM and was of the opinion that they should be re-elected as the directors for another term. Qualifications of directors and nomination process are as prescribed in the Board Governance Guidelines and “(f) Nomination of Directors”

Appointment of director

At each annual general meeting of shareholders, one-third or the number of directors closest to one-third, of the Board is required to retire. Retiring directors are eligible for re-election. At the 2021 AGM, there were three independent directors/directors whose term expired and one vacant independent director position due to the resignation of independent director during the year 2020. Those three independent director/directors were re-elected as independent director/director, as the case may be, and one independent director was elected to fill the vacant independent director position. The details are as prescribed in “(1) Independent Director” and “Nomination, composition and appointment of director - (2) Nomination of Director”.

At the annual general meeting of shareholders, shareholders elected directors in accordance with the following principles and procedures:

- (a) In the election of each director, each shareholder will have vote(s) equal to the number of shares held by him/her.
- (b) Each shareholder may vote all of his/her shares in the exercise of the right he/she has under (a) to elect each of the candidates of his/her choice as a director but he cannot split his/her shares and cast his/her split votes in favor of two or more candidates to one directorship; and
- (c) Candidates who receive the largest number of votes in descending order from the highest to the lowest number of votes received will be elected until all director positions required at such time are filled. In the event of candidates receiving equal votes and exceeding the number of vacancies to be filled, the chairman of the meeting shall have a casting vote, or, in case the chairman is not the Company's shareholder, the decision shall be made by drawing a lot;



(3) Development and performance assessment of the Board of Directors

In the past year, the Board evaluated its performance and effectiveness in January - February. The Company Secretary distributed the self-evaluation form consistent with template recommended by the Stock Exchange of Thailand to each director for evaluating the performance of the Board of Directors. Afterwards, the Company Secretary summarized and presented the results of performance evaluation to the Board of Directors at the Board of Directors' meeting held in March. Directors remained well-informed regarding current aspects of the Company's operations, projects, and best practices in corporate governance.

The Company encourages directors to participate in continuing education opportunities inside and outside of the Company, such as the programs offered by the Thai Institute of Directors Association (Thai IOD) and Thai Listed Companies Association (TLCA).

Director participation in training courses sponsored by the Thai IOD/ TLCA is summarized as follows:

Name		Position
Mr. Adisak	Jangkamolkulchai	Director Accreditation Program / 2008
Mr. Jesada	Chancherngkij	Director Accreditation Program / 2021
Mr. Taweesak	Bunluesin	Director Accreditation Program / 2018
Mr. Manoch	Munjitjuntra	Director Accreditation Program / 2018
Mr. Suchart	Phowatthanasathian	Director Accreditation Program / 2018
Ms. Ratrimani	Pasiphol	<ul style="list-style-type: none"> • Director Accreditation Program / 2012 • TLCA CFO Professional Development Program / 2019, 2020, 2021,
Mr. Boontuck	Wungcharoen	Director Accreditation Program / 2008
Mr. Wattana	Chantarasorn	<ul style="list-style-type: none"> • Advanced Audit Committee Program / 2018 • Director Accreditation Program / 2009
Ms. Prachit	Hawat	<ul style="list-style-type: none"> • Director Certification Program 2018 • Director Accreditation Program / 2011
Mr. Buranawong	Saowapru	<ul style="list-style-type: none"> • Director Certification Program / 2019 • Advanced Audit Committee Program / 2019 • Director Leadership Certification Program (DLCP) / 2021.
Mr. Pornchai	Thiraveja	<ul style="list-style-type: none"> • Director Certification Program / 2016 • Boards that Make Difference / 2019 and 2020 • Advanced Audit Committee Program / 2021

Directors' meeting attendance and remuneration

In accordance with the Articles of Association, the Board normally meets once every three months. However, additional meetings may occur as required. The dates of the Board meetings throughout the year are scheduled with notification provided to each director in advance. The Chairman will review the agenda items throughout the year with the Board including independent directors. However, any additional agenda items may be determined and discussed at the Board as necessary and appropriate. Normally, the notice of the meeting is sent to the directors at least seven days prior to the date of the meeting.

Normally, when passing resolutions at the Board meeting, directors of not less than two-third of all directors present at the Board meeting. The minutes of key items are documented and presented for approval at subsequent Board meetings, and retained for review by relevant persons.

Independent directors may meet to discuss Company items or issues without the presence of management. The outcome of such discussions are subsequently communicated to the Board. In the past year, independent directors who serves as the Audit Committee met without the presence of management.

The Board met 7 times in 2021. Each director attended not less than or equal 75 percent of all Board meetings and the average of all directors' attendance was approximately 97.5 percent with details of attendance as follows:

Name	Meetings			
	Board of Directors (Attendance/ Total No. of Meeting)	AGM* (Attendance/ Total No. of Meeting)	AC** (Attendance/ Total No. of Meeting)	NRP*** (Attendance/ Total No. of Meeting)
Mr. Adisak Jangkamolkulchai (Chairman of the Board of Directors)	7/7	1/1	-	-
Mr. Jesada Chancherngkij (Director)	7/7	1/1	-	-
Mr. Taweesak Bunluesin (Director and Member of NRP Committee)	6/7	1/1	-	2/2
Mr. Manoch Munjitjuntra (Director)	7/7	1/1	-	-
Mr. Suchart Phowatthanasathian (Director)	7/7	1/1	-	-
Ms. Pajaree Meekangvan ⁽¹⁾ (Director)	7/7	1/1	-	-
Ms. Ratrimani Pasiphol (Director and Designated CFO)	7/7	1/1	-	-
Mr. Boontuck Wungcharoen (Independent Director)	7/7	1/1	-	-
Mr. Wattana Chantarasorn (Independent Director and Chairman of the Audit Committee)	7/7	1/1	7/7	-

Name	Meetings			
	Board of Directors (Attendance/ Total No. of Meeting)	AGM* (Attendance/ Total No. of Meeting)	AC** (Attendance/ Total No. of Meeting)	NRP*** (Attendance/ Total No. of Meeting)
Ms. Prachit Hawat (Independent Director, Member of the Audit Committee and Member of NRP Committee)	7/7	1/1	7/7	2/2
Mr. Buranawong Sowaprun (Independent Director, Chairman of NRP Committee and Member of the Audit Committee and)	7/7	1/1	7/7	2/2
Ms. Pantip Sripimol (Independent Director between April 27 2021 - November 15, 2021)	3/4	-	-	-

*Annual General Meeting of Shareholders / **Audit Committee / ***Nomination, Remuneration and Performance Evaluation Committee

⁽¹⁾ Ms. Pajaree Meekangvan resigned from director position effective January 3, 2022.

Directors Remuneration

In the past year, the directors will determine the remuneration of directors taking into account all appropriate factors including market compensation levels for directors. The remuneration of directors who are not receiving separate compensation from the Company, or its affiliates for any type of full-time service is comparable to those paid by other companies, and is as follows:

- (1) Directors who also are members of the Audit Committee receive a monthly remuneration of Baht 191,667.
- (2) Directors who are not members of the Audit Committee receive a monthly remuneration of Baht 153,333.
- (3) Notwithstanding item (1) and (2), directors who receive separate compensation from the Company or its affiliates for any type of full-time service rendered are not eligible for remuneration as directors.

The following remuneration was paid to directors in 2021.

Name	Directors Remuneration (Baht)			
	Remuneration	Meeting Allowance	Bonus	Total
Mr. Adisak Jangkamolkulchai ⁽¹⁾	-	-	-	-
Mr. Taweesak Bunluesin ⁽¹⁾	-	-	-	-
Mr. Manoch Munjitjuntra ⁽¹⁾	-	-	-	-
Mr. Suchart Phowatthanasathian ⁽¹⁾	-	-	-	-
Ms. Pajaree Meekangvan ⁽¹⁾	-	-	-	-
Ms. Ratrimani Pasiphol ⁽¹⁾	-	-	-	-
Mr. Jesada Chancherngkij ⁽¹⁾	-	-	-	-
Mr. Boontuck Wungcharoen	1,839,996.00	-	-	1,839,996.00
Mr. Wattana Chantarasorn	2,300,004.00	-	-	2,300,004.00
Ms. Prachit Hawat	2,300,004.00	-	-	2,300,004.00
Mr. Buranawong Sowaprunx	2,300,004.00	-	-	2,300,004.00
Director resigning during 2021				
Ms. Pantip Sripimol ⁽²⁾	1,017,219.90	-	-	1,017,219.90

⁽¹⁾ Not eligible for director remuneration as they receive separate compensation from the Company or its affiliates for full-time services rendered.

⁽²⁾ Ms. Pantip Sripimol served as independent directors between April 27, 2021 and November 15, 2021.

Supervision of subsidiaries and associated company

The Company as the shareholder shall appoint its representative to attend the meeting of its subsidiaries. The representative of the Company shall vote at the general meeting of shareholders in accordance with the principle or guidance provided by the Company. The Company shall have the same rights as other shareholders except for certain rights e.g. right to receive a dividend payment or right to nominate director in those subsidiaries pursuant to Articles of Association of those subsidiaries. In the past, the Company, as the shareholder, passed the resolution to appoint the Company's employees as the directors and managing director of those subsidiaries. Those directors shall have power to operate the business in accordance with policy, objectives and articles of association, resolutions of board of directors and shareholders as well as applicable laws.

In the past, directors and/or executives responsible in area relevant to business operation of Subsidiaries or associated company would be nominated and assigned to serve as director and/or managing director, or treasurer, controller, as the case may be, in those Subsidiaries or associated company. Such nomination and assignment is exercised by the Company's management. Persons appointed as directors in those Subsidiaries/associated company shall perform their duties with due care for the best interest of those Subsidiaries/associated company. The Articles of Association of those Subsidiaries contain provisions governing an acquisition and disposition of assets and connected transaction consistent with relevant rules and regulations. In-Country Controller's of the Company's affiliate is responsible for an oversight of the financial reporting to ensure that the financial statements of those Subsidiaries were timely and duly prepared.

The management structure of the Company, its subsidiaries, and associated companies as of 56-1 One Report preparation is as follows:

Name	Subsidiaries/Associated Company					
	Company	1	2	3	4	5
Mr. Adisak Jangkamolkulchai*	X,/,//	X,/,//				
Mr. Jesada Chancherngkij *	,,//		X,/,//	X,/,//	X,/,//	
Mr. Taweesak Bunluesin*	/					
Mr. Manoch Munjitjuntra*	,,//	,,//				
Mr. Suchart Phowatthanasathian*	,,//					
Ms. Ratrimani Pasiphol*	,,//					
Mr. Boontuck Wungcharoen	/					
Mr. Wattana Chantarasorn	/					
Ms. Prachit Hawat	/					
Mr. Buranawong Sowapru	/					
Mr. Pornchai Thiraveja ⁽¹⁾	/					
Mr. Vanchai Vichakchon	//					
Mr. Chatchawarn Hongcharoenthai ⁽²⁾	//					/
Ms. Matana Sutatham ⁽³⁾	//					
Ms. Vorraya Kosalathip	//	//	//	//	//	
Mr. Suwat Srikanapongse	//	//	//	//	//	

x = Chairman / = Director // = Executive Officer * = Authorized Director of the Company

1. Mobil Enterprises (Thailand) Limited

2. Industry Promotion Enterprises Limited

3. United Industry Development Company Limited

4. Pacesetter Enterprise Limited

5. Thai Petroleum Pipeline Company Limited

⁽¹⁾ Mr. Pornchai Thiraveja was appointed as Independent Director to replace Ms. Pantip Sripimol effective February 24, 2022.

⁽²⁾ Mr. Chatchawarn Hongcharoenthai was appointed as Thailand Fuels Operations Manager to replace Mr. Warathum Tungittiplakorn effective November 1, 2021.

⁽³⁾ Ms. Matana Sutatham was appointed as Investor Relations and Planning Manager to replace Ms. Jutarat Wareechuensuk effective August 1, 2021

Monitoring of compliance with the corporate governance policy and guidelines

In the past year, the working team assigned by the Board of Directors conducted the annual review and assessment of the implementation of the 2017 Corporate Governance Code of by means that are suitable to the Company's business. It was concluded that in general, the Company's existing policies, tools, processes, and practices substantially fulfill the intended outcome of the 2017 CG Code. Moreover, in 2021, the Company reviewed the Corporate Governance Report Score performed by Thai Institute of Directors Association with the Board of Directors at the Board of Directors' Meeting.

(1) Conflict of Interest

The Conflict of Interest is part of the Standards of Business Conduct. In general, it is the Company's policy that directors, officers, and employees should avoid any actual or apparent conflict between their own personal interests and the interests of the Company. A conflict of interest can arise when a director, officer, or employee takes actions or has personal interests that may interfere with his or her objective and effective performance of work for the Company. For example, directors, officers, and employees are expected to avoid actual or apparent conflict in dealings with suppliers, customers, competitors, and other third parties. Directors, officers, and employees are expected to refrain from taking for themselves opportunities discovered through their use of corporate assets or through their positions with the Company. Furthermore, directors, officers, and employees are expected to avoid securities transactions that are based on material, non-public information obtained through their positions with the Company.

Each year, employees are requested to review and confirm the compliance of all policies prescribed in the Standard of Business Conduct including the Conflict of Interest Policy.

Directors and executives are required to file a report with the Company regarding their interest or related person's interest (i.e. information on shareholdings, directorships, or executive positions in other legal entity (ies)) which relates to management of the Company or its subsidiaries at the beginning of the year or upon a change.

(2) Insider Information

The Conflict of Interest Policy also covers the misuse of insider information. Directors, officers, and employees are expected to avoid securities transactions that are based on material, non-public information obtained through their positions with the Company. In relation to the potential misuse of insider information, the Company educates the Company's executives regarding their responsibilities to report holdings of the Company's shares, and the penalties for non-disclosure under the Securities and Exchange Act B.E. 2535 and the Stock Exchange of Thailand regulations and advises the Company's executives to report changes in such holdings of the Company's shares to the SEC in accordance with the Securities and Exchange Act B.E. 2535.

Within January of each year, all employees shall be reminded and communicated that employees with access to the defined Insider Information and their respective spouses and dependents, are prohibited from purchasing, selling or engaging in any transaction involving the Company's securities or forward contracts or from passing on such information to other persons.

Furthermore within 10 days after the end of each quarter, designated persons involving to or having an access to information relating a preparation of financial statement are reminded that they and their respective spouses and dependents are prohibited from disclosing information relating to the Company's Annual/Quarterly Results to any person, during the period from the end of each calendar quarter or calendar year to which the Annual/Quarterly Results relate until expiry of two full SET market days from the date such Annual/Quarterly Results are filed with the SET/SEC (the "Blackout Period"). Additionally, employees are prohibited from trading directly or indirectly in the Company's shares and engaging in any forward contract during each Blackout Period.

(3) Anti-corruption

The Company's anti-corruption policy and compliance program are based on global ExxonMobil standards, which meet stringent US, UK and EU standards. While these have always been part of the Company's way of doing business, the Company formalized the policy and programs in 2011 and 2012. The Company's Board of Directors adopted the Anti-Corruption policy in November 2011, and added it to its Standards of Business Conduct. Details of Anti-Corruption Policy are prescribed in "Standards of Business Conduct" and "Anti-Corruption Practice".

In 2021, all employees completed the Anti-corruption Computer Based Training. In addition to Computer Based Training, designated High Risk Position attended Anti-corruption webinar organized by Law Department.

(4) Whistle Blowing

Details of whistle blowing are disclosed in "Whistle Blowing" (Page 130). Moreover, each year, employees must review and confirm that they acknowledge that they are expected to report promptly to management suspected violations of law, the Company's policies, and the Company's internal controls via available channel listed in an Open Door Communications Procedure. Employees also confirmed that as a protection measure, no action may be taken or threatened against them for asking questions, voicing concerns, or making complaints or suggestions in conformity with the procedures described above, unless the employee acts with willful disregard of the truth.



Shareholding of Directors and Executives Report

Shareholding of directors and executives as of December 31, 2021 is as follows:

Name	Company				Subsidiaries
	No. of shares as of December 31, 2020	No. of shares as of December 31, 2021	Change Increase/ (Decrease in 2021)	Shareholdings (%)	(Company/ No. of shares (%))
1. Mr. Adisak Jangkamolkulchai Spouse and minor child (children)	-	-	-	-	-
2. Mr. Jesada Chancherngki Spouse and minor child (children)	-	-	-	-	-
3. Mr. Taweesak Bunluesin Spouse and minor child (children)	-	-	-	-	-
4. Mr. Manoch Munjitjuntra Spouse and minor child (children)	-	-	-	-	-
5. Mr. Suchart Phowatthanasathian Spouse and minor child (children)	-	-	-	-	-
6. Ms. Pajaree Meekangvan ⁽¹⁾ Spouse and minor child (children)	-	-	-	-	-
7. Ms. Ratrimani Pasiphol Spouse and minor child (children)	10,000	10,000	0	0.0003%	
8. Mr. Boontuck Wungcharoen Spouse and minor child (children)	-	-	-	-	-
9. Mr. Wattana Chantarasorn pouse and minor child (children)	-	-	-	-	-

Name	Company				Subsidiaries
	No. of shares as of December 31, 2020	No. of shares as of December 31, 2021	Change Increase/ (Decrease in 2021)	Shareholdings (%)	(Company/ No. of shares (%))
10. Ms. Prachit Hawat Spouse and minor child (children)	-	-	-	-	-
11. Mr. Buranawong Sowaprun Spouse and minor child (children)	-	-	-	-	-
12. Mr. Vanchai Vichakchon Spouse and minor child (children)	-	-	-	-	-
13. Mr. Chatchawarn Hongcharoenthai ⁽²⁾ Spouse and minor child (children)	-	-	-	-	-
14. Ms. Matana Sutatham ⁽³⁾ Spouse and minor child (children)	-	-	-	-	-
15. Ms. Vorraya Kosalathip Spouse and minor child (children)	-	-	-	-	-
16. Mr. Suwat Srikanapongse Spouse and minor child (children)	-	-	-	-	-

⁽¹⁾ Ms. Pajaree Meekangvan resigned from director effective January 3, 2022.

⁽²⁾ Mr. Chatchawarn Hongcharoenthai was appointed as Thailand Fuels Operations Manager to replace Mr. Warathum Tungittiplakorn effective November 1, 2021.

⁽³⁾ Ms. Matana Sutatham was appointed as Investor Relations and Planning Manager to replace Ms. Jutarat Wareechuensuk effective August 1, 2021

Remark: Some of the employee directors and executives may own shares of Exxon Mobil Corporation through employee savings or other plans sponsored by Exxon Mobil Corporation and / or its affiliates.

Audit Committee Report

Audit Committee's Meeting

The Audit Committee met 7 times in 2021 which included meetings involving individual discussions with the external auditors. The activities performed by the Audit Committee in 2021 is set forth in the Audit Committee Report. The details of attendance are as follows:

Name		Audit Committee Attendance (times)
Mr. Wattana	Chantarasorn	7/7
Ms. Prachit	Hawat	7/7
Mr. Buranawong	Sowapru	7/7

Audit Committee's Activities

The activities performed by the Audit Committee in 2021 is set forth in the Report of Audit Committee as follows:



Audit Committee Report



The current Audit Committee of Esso (Thailand) Public Company Limited consists of three independent directors, with experiences and competencies in international business management, petroleum business management, auditing, and accounting.

Members of the Audit Committee in the fiscal year 2021 were as follows:

1. Mr. Wattana Chantarasorn as the chairman,
2. Mr. Buranawong Sowapruex
3. Ms. Prachit Hawat

Mr. Suwat Srikanapongse was the Secretary of the Audit Committee. The Committee held seven meetings in 2021 to fulfill its duties in accordance with the Audit Committee charter, consistent with the regulations of the Stock Exchange of Thailand (SET), by reviewing matters with the external auditor, the internal audit coordinators, and the Company's management. The Committee reported results of these activities to the Board of Directors quarterly, which are summarized as follows.

Review of Financial Statements

The Committee reviewed significant data and information in the quarterly and annual financial statements of the Company for the year 2021 by meeting with the Company's management and the external auditor. Applicable accounting policies and management judgment made in connection with financial reporting, including Key Audit Matters and findings were considered. The Committee had a meeting with the external auditor without the presence of the Company's management, according to SET best practices, with regards to the appropriateness of accounting policies, the application of new and revised financial reporting standards in effect, and the effectiveness of controls in

mitigating risk related to the Company's financial reporting. The Committee also focused on oil price volatility, which could potentially result in a significant financial impact through the stock gain or loss on the Company's earnings.

Based on the aforementioned reviews, the Committee had a conclusion consistent with the opinion of the external auditor that the financial statements of the Company for the year ended December 31, 2021 were fairly stated, in all material respects, in conformity with Thai Financial Reporting Standards (TFRS), and the financial information was disclosed adequately and appropriately. In addition, the external auditors made no remarks from the audit.

Risk Management

Management reviewed risk management process with the Audit Committee. Key management systems and tools to manage enterprise risks were discussed. The Committee were also updated on key risk areas in 2021 and the actions taken to mitigate these risks.

The Committee viewed that the risk management process in place is comprehensive, appropriate and consistent with the Company's current and long-term business strategy as well as significant risk factors in its operating environment.

Internal Controls and Internal Audit

In 2021, the Committee reviewed internal controls covering scope, activities, responsibilities, and resources of the internal control process. The Committee also reviewed the adequacy and effectiveness of internal controls, internal audit workplan, key issues identified in the internal audit reports, corrective actions and follow-up on the issues.

The Committee viewed that the internal control process is adequate and effective and the actions by management for correcting the identified control issues were effective.

Related Party Transactions

The Committee reviewed the appropriateness and reasonableness of related-party transactions and those might result in potential conflicts of interest, based on the principles of reasonableness, transparency, disclosure adequacy, relevancy to normal course of business and best interests of the Company. Based on the review, no issues were identified and information related to transactions with related parties was adequately disclosed.

Legal and Regulatory Compliance

The Committee reviewed compliance with laws and regulations relevant to the Company's business including those issued by the Stock Exchange of Thailand (SET). Key legal developments relevant to the Company were also reviewed. The Committee noted that no litigation or penalties/fines significantly impacting the Company's financial statements.

The Committee assessed that the processes and systems used to ensure compliance with roles and accountability of directors and management are well defined. The Company has an effective oversight process in assuring compliance with the policies, laws and regulations applicable to the business by all operating units across the Company.

Appointment of External Auditor and Review of the Audit Fee for 2022

The Committee participated in evaluating the external auditor of the Company based on expertise, experience and reputation including

assessing its independence and their performance appraisal. For remuneration, the considerations included scope of responsibilities of the external auditor and the fees paid in the past.

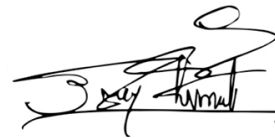
The Committee concurred with the appointment of the external auditor from PricewaterhouseCoopers ABAS Ltd. and the annual audit and quarterly review fee for the Company's consolidated financial statements in the amount of Baht 4.6 million, and to recommend the Board of Directors to seek approval at the Annual General Meeting of Shareholders.

In summary, the Audit Committee concluded that the Company's financial statements were fairly stated, in all material respects, in accordance with Thai Financial Reporting Standards. The system of internal controls and risk management process were effective and appropriate. Applicable laws and

regulations were complied with, and the review did not identify either issues related to related party transactions or conflicts of interest.

February 24, 2022

On behalf of the Audit Committee



Mr. Wattana Chantarasorn

Chairman of the Audit Committee

Nomination, Remuneration and Performance Evaluation Committee Report



The Nomination, Remuneration and Performance Evaluation Committee's Meeting

The Nomination, Remuneration and Performance Evaluation Committee met 2 times in 2021. The details of attendance are as follows:

Name		NRP Committee Attendance (times)
Mr. Buranawong	Sowapru	2/2
Ms. Prachit	Hawat	2/2
Mr. Taweesak	Bunluesin	2/2

Nomination, Remuneration and Performance Evaluation Committee activities

The activities performed by the Nomination, Remuneration and Performance Evaluation Committee in 2021 is set forth in the Report of Nomination, Remuneration and Performance Evaluation Committee as follows:

Nomination, Remuneration and Performance Evaluation Committee Report



The current Nomination, Remuneration and Performance Evaluation Committee (“NRP Committee”) of Esso (Thailand) Public Company Limited consists of three directors, two of them are independent directors with experiences and competencies in international business management, petroleum business management, auditing, and accounting.

Members of the NRP Committee in the fiscal year 2021 were as follows:

1. Mr. Buranawong Sowaprox as the Chairman,
2. Ms. Prachit Hawat as the member and
3. Mr. Taweesak Bunluesin as the member and the Secretary of the NRP Committee.

The Committee held two meetings in 2021 to fulfill its duties in accordance with the NRP Committee charter. The NRP reported results of these activities to the Board of Directors annually, which are summarized as follows.

Revision of the Charter

The NRP Committee revised its Charter to extend its scope of duties and responsibilities to cover, in addition to an evaluation of Managing Director’s performance, a set up guidelines for and method of a director candidate selection, a review of onboarding professional development program for directors, a recommendation of an appointment and reappointment of directors/independent directors and a recommendation of remuneration of director. The revised Charter was subsequently approved by the Board of Directors.

Guidelines for and method of a director and candidate selection method

The NRP has developed guidelines for and method of a director candidate selection including candidate qualifications and has subsequently reviewed the guidelines with the Board.

Recommendation of independent directors/ directors

From November 3, 2020 to February 5, 2021, shareholders were invited to nominate candidates for election as directors at the 2021 AGM but no nominations were received.

- The NRP Committee considered various appropriate qualifications including knowledge, experience, capabilities and expertise as well as the past performance of independent director/directors who retired by rotation at 2021 AGM with due care. As they are knowledgeable and experienced in the matters relating to the Company’s, possess qualifications suitable for the Company’s business as well as capable of expressing independent opinion pursuant to relevant criteria, the NRP Committee recommended to the Board to propose to the Shareholders’ Meeting that they should be re-elected as the independent director/directors (as the case maybe). The Shareholders’ Meeting approved as proposed.

- With regards to the vacant independent director position due to his resignation from his independent director position prior to the end of his term, the NRP Committee considered various appropriate qualifications including knowledge, experience, capabilities and expertise of Ms. Pantip Sripimol with due care. As Ms. Pantip Sripimol is duly qualified under the Public Limited Company Act B.E. 2535 (as amended) and the Securities and Exchange Act and capable of expressing independent opinion pursuant to relevant criteria, the NRP Committee recommended to the Board to propose to the Shareholders Meeting that she be proposed for election as the independent director to fill the vacant independent director position. The Shareholders' Meeting elected her as proposed.

Recommendation of remuneration of directors

The NRP Committee considered all appropriate factors including market compensation levels for directors and made a recommendation to the Board of Directors to propose to the Shareholders' Meeting that the directors' remuneration to be proposed for approval at the 2021 AGM should remain the same amount as year 2020. The Shareholders' Meeting approved as proposed.

Performance Evaluation of Managing Director

The NRP Committee assessed the performance of Mr. Adisak Jangkamolkulchai, the Managing Director, during the period between April 2020 and March 2021. The NRP Committee reviewed the results of assessment with the Board of Directors and provided the result of assessment to Mr. Adisak Jangkamolkulchai's supervisor as part of his regular performance appraisal cycle.

February 24, 2022

On behalf of the Nomination, Remuneration and Performance Evaluation Committee



Mr. Buranawong Sowapruex

Chairman of the Nomination, Remuneration and Performance Evaluation Committee

Internal Controls and Related Party Transactions

Internal controls

The Audit Committee independently evaluates and reviews the effectiveness of the Company's internal control systems to ensure that they are in compliance with good corporate governance principles and the Committee of Sponsoring Organizations of the Treadway Commission (COSO) internal control framework, which is a generally accepted control framework. COSO consists of five integrated components: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. The Audit Committee reviewed internal audit reports including audit findings and recommendations. Based on the Audit Committee's assessment, the Board concluded that the Company's internal control systems are adequate and effective, and are functioning consistently with corporate governance principles and the COSO internal control framework as summarized in the following sections.

Control Environment

The existing organizational structure is appropriate and effective for the Company's businesses operations. It is the Company's policy that directors, officers, and employees are expected to observe the highest code of ethics and avoid any actual or apparent conflict between their own personal interests and the interests of the Company. They are also expected to deal fairly with each other or with the Company's suppliers, customers, competitors, and other third parties.

Risk Management

The Company applies rigorous risk assessment and management practices in all aspects of its business. The Company has processes in place to analyze and assess the significance of risks and determine mitigation measures to reduce those risks to the extent feasible. Risk management plans are embedded as an integral part of business processes, developed with consideration for both internal and external risk factors, and designed to include follow-up processes to ensure effective implementation and continuous improvement.



Control Activities

The Company adopted a Delegation of Authority Guide which summarizes the responsibilities and authorities that form the overall framework for ensuring business arrangements and transactions are reviewed and approved at an appropriate level. By delegating authority, management ensures decisions will be made by individuals with the required skills and knowledge. A basic premise is that the delegated authority bears with it the obligation to exercise good business judgment and due diligence as well as effective segregation of duties. In addition, the Company's computer systems include effective application and general controls.

Information and Communication

Meeting agendas and supporting information are provided to Board members in a timely fashion to ensure that material information is available to those responsible for making relevant decisions. Minutes of the Board meetings, including relevant comments by Board members, are properly documented for subsequent review. All financial and supporting documents are retained in accordance with the Company's Information Management System (IMS). The Company provides ongoing internal control training for employees.

Monitoring Activities

Internal audit staff independently assesses compliance with policies and procedures and evaluate the effectiveness of all control systems relating to the business. Material control weaknesses, irregularities, and business practice issues are promptly addressed and reported to management and subsequently reviewed by the Audit Committee. Corrective actions, in accordance with internal audit findings and recommendations, are monitored by the management of each business until the issues are appropriately resolved. The Audit Committee periodically reviews and assesses the effectiveness of the management follow up process.

Internal Control System

The Company recognizes the importance of an effective internal control system. In this regard, extensive internal controls and procedures, including those set out in the Company's System of Management Control (SMC) – Basic Standards and Controls Integrity Management System (CIMS), are fully established at all levels in the organization.

The internal control system, including compliance with policies and procedures, is formally assessed by independent internal audit staff and external auditors during each audit cycle. This includes a review of the effectiveness of all financial, and operational controls.

System of Management Control (SMC)

The System of Management Control (SMC) sets forth basic control principles, concepts, and standards. The Company implemented this system of management control to ensure the effective, efficient, and proper utilization of the Company's resources. The basic purpose of the controls framework is to make sure business activities are conducted properly and in accordance with management's general and specific directives.

The SMC is based on 7 basic principles: Decentralization of Management, Segregation of Duties and Responsibilities, Documentation, Supervision and Review, Timeliness, Relevance to Risk, and Minimum Interdependence of Controls. Management at all levels and in all businesses is required to establish systems and procedures that meet or exceed these control principles.

Controls Integrity Management System (CIMS)

The Controls Integrity Management System (CIMS) is a formal system of internal methods and analytical tools to assess and mitigate operational, financial, and administrative control risks. It also facilitates the timely reporting to management of control weaknesses and business practice issues. CIMS is based on the principles and standards of SMC and provides key attributes of an effective control system that helps to ensure the Company's policies and in-line controls are implemented and effectively sustained over time.

CIMS is comprised of seven elements: "Management, Leadership, Commitment & Accountability", "Risk Assessment", "Business Process Management & Improvement", "Personnel & Training", "Management of Change", "Reporting & Resolution of Control Weakness", and "Controls Integrity Assessment". Each element has five components: Objectives, Standards, Procedures, Expected Results, and Verification & Feedback Mechanism.

Auditing and Compliance

Business Practices Review (BPR)

The Company has long recognized the importance and value of sound corporate governance, a straight-forward business model, and high ethical business standards. We believe the methods we use to obtain business results are as important as the results themselves. All employees are expected to be familiar with the Company's policies and standards of business conduct and apply them to their daily work. They are required to confirm their knowledge and compliance with the policies and standards on an annual basis. In addition, formal business practice reviews (BPR) are attended by all employees every four years. The BPR objectives are:



- Promote the Company's reputation for honesty and straightforward approach to business integrity;
- Promote clear understanding of and compliance with the Standards of Business Conduct;
- Demonstrate applicability of the Standards to all aspects of day-to-day business activities and practices at every level in the organization;
- Convey consequences for non-compliance with the Standards;
- Identify, evaluate, report, and where necessary, correct practices that may not be consistent with policies; and
- Report compliance concerns and ensure employee awareness of channels available for reporting concerns.

Internal Audit

The internal audit staff independently assesses compliance with policies and procedures, and evaluates the effectiveness of all control systems related to the business. Generally, each segment of the business is subject to an internal audit every three years. In addition, business segments appoint controls advisors to provide guidance on controls and facilitate self-assessments for their units at the mid-point of the audit cycle based on CIMS and audit standards. Management of each business segment is obligated to consider all internal audit and self-assessment findings and recommendations, and take appropriate corrective actions. In addition, the results of internal audits are reviewed by the Audit Committee.

Independent External Audit

Independent external auditors audit the Company's financial statements in accordance with generally accepted auditing standards in Thailand to ensure that the financial statements are free of material misstatement and in conformity with generally accepted accounting principles.

Auditor's Remuneration

The audit fees paid to the office of the external auditor, PricewaterhouseCoopers ABAS Limited, for the 2021 accounting period were Baht 4,600,000. There were no other fees paid to the Company's auditor.

Related Party Transactions

The Company executed numerous agreements with ExxonMobil and its affiliates in order to leverage their expertise in the global oil and gas industry. These agreements are beneficial to the Company and its operations. The terms and conditions of the agreements are on the same basis as those applied generally to all ExxonMobil affiliates worldwide and are appropriate and reasonable. All of the related party agreements were either reviewed by the Audit Committee or are consistent with prescribed criteria.

Necessity and reasonableness of related party transactions

Related party transactions undertaken in the past year pursuant to these agreements are for the benefit of the Company and were subject to review by the Audit Committee and the Company's external auditors as part of their audit of the Company's annual financial statements. The Audit Committee considered and provided an opinion that such transactions were entered into in the normal course of business, consistent with prescribed criteria, and were properly disclosed.



Approval of related party transactions

Related party agreements are established in the normal course of business. The approval processes for related party agreements are consistent with those prescribed by the relevant rules and regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand. If there is a likelihood of a conflict of interest arising from the Company's entry into a related party agreement with a person who is a shareholder, director or executive of the Company, the said shareholder, director or executive will not participate in the approval process for the agreement.

On August 28, 2008, the Board of Directors provided an approval for the Company and its subsidiaries to enter into certain transactions with its directors, executives, and/or related persons (as defined in the Securities and Exchange Act) where, in principle, such transactions are on the same terms as those which may ordinarily be entered into by persons with unrelated counterparties under similar circumstances, based on commercial negotiations, and without preference resulting from the status of being a director, executive or related person, as the case may be, or where the transactions reflect fair prices or are on a cost or cost plus basis pursuant to agreements between the Company and its affiliates, or where the charges under the transactions are consistent with those charged by other affiliates around the world for similar services or goods, or where the interest expense in connection with financing transactions with the Company's affiliates is generally based on market rates.

New related party transactions

Any new related party agreements will comply with the Board resolution of August 28, 2008 described above, as well as the applicable laws and regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand.

Subject to the above, if the Company proposes executing a related party agreement not consistent with the August 28, 2008 Board resolution, the Audit Committee will review and render an opinion on such an agreement. The Audit committee's opinion will be communicated to the Board of directors or shareholders, as the case may be, to ensure the proposed agreement is in the best interest of the Company.



Listed below are the main agreements with related parties as of December 31, 2021.

Detail of related party transactions of the previous years are available in the Company website (<http://esso-th.listedcompany.com/home.html>)

Agreements	Parties/Relationship with the Company	Main Purposes	2021 Transaction Value (Million Baht)		
			Sales	Purchase	Service Expenses
Goods and Services					
Crude Oil, LPG, Products and Feedstock, and Lube Basestock Supply Agreement	ExxonMobil Asia Pacific Pte. Ltd. ("EMAPPL") EMAPPL is an affiliate of Exxon Mobil Corporation (EMC), EMC indirectly holds 100% of shares in EMAPPL.	EMAPPL sells or procures for sale to Esso Asia Pacific crude oil. In addition to such crude oil, EMAPPL agrees to sell or procure for sale LPG, products and feedstock, and lube basestock. EMAPPL purchases crude oil, LPG, products, feedstock and lube basestock which Esso desires to sell and export.			
Assignment and Assumption Agreement for the Manufacture and/or sale of Toyota Oil and Chemical Product	EMAPPL	EMAPPL assigns its rights and obligations under relevant agreements with Toyota Motor Corporation as a local blender and/or seller of Toyota branded oil and chemical products in Thailand to Esso.	7,729	95,154	883
Inter-Affiliate Product Sale and Purchase Agreement	EMAPPL	Esso purchases finished lubricants, base oils, base stocks, and/or lubricant additives from EMAPPL.			

Agreements	Parties/Relationship with the Company	Main Purposes	2021 Transaction Value (Million Baht)		
			Sales	Purchase	Service Expenses
Inter-Affiliate Product Sale and Purchase Agreement	EMAPPL	Esso sells finished lubricants, and/or lubricant additives as ordered by EMAPPL from time to time.			
Downstream Regional Headquarters/ Affiliate Master Service Agreement*	EMAPPL	EMAPPL provides services to Esso covering a wide range of management consulting, functional advice, administrative, technical, professional, and other supporting services relating to Esso's downstream business of refining, sales and marketing of fuels, lubricants and petroleum specialties, and other services necessary for sale and efficient operations of Esso.			
Chemical Regional Headquarters/ Affiliate Service Agreement	EMAPPL	EMAPPL provides services to Esso covering certain management consulting, functional advice, administrative, technical, professional, and other supporting services in connection with Esso's chemical business such as accounting, legal, tax, human resources, office space, and clerical activities, computer network services, and procurement services.			
Sale Agreement	ExxonMobil Chemical Asia Pacific ("EMCAP"), a division of EMAPPL EMCAP is an affiliate of EMC, which EMC indirectly holds 100% of shares in EMCAP.	EMCAP sells or causes to be sold to Esso chemical products in such a volume as Esso nominates from time to time.	1,353	1,936	122
Inter-Affiliate Supply Agreement	EMCAP	EMCAP sells to or procures for Esso paraxylene, benzene concentrate, and feedstock in such a volume as Esso nominates. Esso sells EMAPPL paraxylene, benzene concentrate, and feedstock.			
Crude Oil, Products and Feedstocks Supply Agreement	ExxonMobil Sales and Supply ("EMS&S") EMS&S is an affiliate of EMC, EMC indirectly holds 100% of shares in EMS&S.	EMS&S sells or procures to sell non Asia Pacific crude oil. In addition to such crude oil, EMS&S agrees to sell or procure for sale products and feedstock to Esso. EMS&S purchases crude oil, LPG, products, feedstock and lube basestock which Esso desires to sell and export.		10,231	

Agreements	Parties/Relationship with the Company	Main Purposes	2021 Transaction Value (Million Baht)		
			Sales	Purchase	Service Expenses
Bangkok Business Support Center Master Service Agreement	ExxonMobil Limited ("EML") EML is an affiliate of EMC and a subsidiary of ExxonMobil International Holdings Inc. EMC indirectly holds 100% of shares in EML.	EML provides various services including certain management consulting, functional advice, administrative, technical, professional, and other supporting services relating to Esso's business and operations.			693
Master Service Agreement	ExxonMobil Global Services Company ("EMGSC") EMGSC is an affiliate of EMC, EMC directly holds 100% of shares in EMGSC.	EMGSC provides Esso with advice and assistance relating to (i) information technology services (ii) procurement services (iii) real estate services and facilities services.			559
ExxonMobil Petroleum & Chemical Master Business Support Agreement	ExxonMobil Petroleum & Chemical ("EMPC") EMPC is an affiliate of EMC, which EMC indirectly holds 100% of shares in EMPC.	EMPC provides services to Esso a variety of services relating to accounting and administrative services through personnel based out of business centers established outside of Thailand.			
Downstream Regional Headquarters/ Affiliate Master Service Agreement*	EMPC	EMPC provides services to Esso covering a wide range of management consulting, functional advice, administrative, technical, professional, and other supporting services relating to Esso's downstream business of refining, sales and marketing of fuels, lubricants and petroleum specialties and other services necessary for sale and efficient operations of Esso such as fuels marketing, refining and supply, etc.			20

Agreements	Parties/Relationship with the Company	Main Purposes	2021 Transaction Value (Million Baht)		
			Sales	Purchase	Service Expenses
Downstream Regional Headquarters/ Affiliate Master Service Agreement*	ExxonMobil (China) Investment Co., Ltd ("EMCI") EMCI is an affiliate of EMC, which EMC indirectly holds 100% of shares in EMCI.	EMCI provides services to Esso covering a wide range of management consulting, functional advice, administrative, technical, professional, and other supporting services relating to Esso's downstream business of refining, sales and marketing of fuels, lubricants and petroleum specialties and other services necessary for sale and efficient operations of Esso such as fuels marketing, refining and supply, etc.			
EssoAir Service Agreement	ExxonMobil Aviation International Ltd. ("EMA") EMA is an affiliate of EMC, which EMC indirectly holds 100% of shares in EMA.	EMA provides Esso a wide range of marketing and technical assistance appropriate to Esso's aviation fuel business including solicitation of aviation sales and general advisory services and consultancy.			8
Inter Affiliate Marine Transportation Services Agreement	SeaRiver Maritime LLC ("SRM") (Formerly, Standard Tankers Bahamas Ltd) SRM is an affiliate of EMC, which EMC indirectly holds 100% of shares in STB.	SRM provides services related to (i) vessel pool activities and transportation for purchasers' cargoes of crude oil, petroleum products, and chemicals (ii) chartering and transportation support services (iii) marine vetting services (iv) other supporting services related to the pool vessels as well as other marine transportation activities.		1,511	1
Standard Research Agreement	ExxonMobil Research and Engineering Company ("EMRE") EMRE is an affiliate of EMC, which EMC directly holds 100% of shares in EMRE.	Agreement is made for the purpose of (i) creation, acquisition and management of a body of technical information, technical services, and patent and copyright protection for the benefit of petroleum and chemical operations (ii) access to technical information and the use of patent and copyright protection (iii) engineering assistance and special research (iv) administer intellectual property and technical information acquired or made for the benefit of Esso.			342

Agreements	Parties/Relationship with the Company	Main Purposes	2021 Transaction Value (Million Baht)		
			Sales	Purchase	Service Expenses
Catalyst Lease Agreement	ExxonMobil Catalyst Technologies LLC ("EMCT") EMCT is an affiliate of EMC, which EMC indirectly holds 100% of shares in EMCT.	EMCT, as a lessor, commits to supply and lease catalysts to Esso.			7
Catalyst Supply Agreement	EMCT	Esso purchases catalysts from EMCT.			
Trademark License Agreement	Exxon Mobil Corporation ("EMC") EMC is the ultimate parent company of various affiliates and subsidiaries.	EMC authorizes Esso to use Esso, Exxon, Esso Oval and Exxon Emblem trademarks in Thailand in association with the products and services sold or provided.			
Clearing House Service Agreement	EMC	EMC provides the service of operating the Trade Central Clearing House Sub-Account and other Central Clearing House Sub-Accounts for the purpose of facilitating efficient settlement and processing of transactions.			4
Downstream Regional Headquarters/ Affiliate Master Service Agreement*	EMC	EMC provides services to Esso covering a wide range of management consulting, functional advice, administrative, technical, professional, and other supporting services relating to Esso's downstream business of refining, sales and marketing of fuels, lubricants and petroleum specialties and other services necessary for sale and efficient operations of Esso such as fuels marketing, refining and supply, etc.			
Service Agreement	ExxonMobil Hong Kong Limited ("EMHKL") EMHKL is an affiliate of EMC, which EMC indirectly holds 100% of shares in EMHKL.	EMHKL provides services to Esso covering managerial, professional and administrative, and other operational advice relating to their overall corporate operations to Esso.			

Agreements	Parties/Relationship with the Company	Main Purposes	2021 Transaction Value (Million Baht)		
			Sales	Purchase	Service Expenses
Service Agreement	ExxonMobil Catalyst Services Inc. ("EMCSI") EMCSI is an affiliate of EMC, EMC directly holds 100% of shares in EMCSI.	EMCSI provides services including arranging for supply of precious metals; arranging for the fabrication of catalysts, the reclamation of precious metals from spent catalysts, and catalyst operations such as regeneration as well as consulting services relating to catalysts.			1
Service Agreement	ExxonMobil Chemical Company ("EMCC") EMCC is a division of EMC.	Esso provides certain services relating to marketing efforts in Thailand to EMCC.			
ExxonMobil Marine Fuels Supply and Services Agreement	ExxonMobil Marine Limited ("EMML") and EMAPPL EMML is an affiliate of EMC, which EMC indirectly holds 100% of shares in EMML.	Esso sells and delivers marine fuels as well as provides related services to EMML and EMAPPL.			
Inter-Affiliate Product Sale and Purchase Agreement	EMML	Esso sells finished lubricants, lubricating oils, greases and/or other marine lubricant products as ordered by EMML from time to time.	21		
Others				-1	70
TOTAL (see notes to financial statements no. 34)			9,103	108,831⁽¹⁾	2,710

* EMAPPL, EMPC, EMCI and EMC are collectively the Service Providers under the Downstream Regional Headquarters / Affiliate Master Service Agreement amended and restated as of January 1, 2019.

⁽¹⁾ Baht 536 million service expenses paid to Thai Petroleum Pipeline Company Limited is not included

Agreements	Parties	Main Purposes	2021 Transaction Value (Million Baht)			
			Loan Balance	Deposit Balance	Interest Expense	Interest Income
Financial Assistance						
Loan and Current Account Agreement	EML	Esso provides a loan facility to EML with the maximum principal amount of Baht 3,000 million. There is no facility limit in the event that money from EML is deposited in current account. Esso can make use of such funds and is required to pay interest for the deposited amount.	3,494		20	
Short-Term Loan Agreement	ExxonMobil Development Finance Company ("EMDFC")	EMDFC provides a revolving loan facility to Esso with the maximum aggregate amount of Baht 12,000 million. Drawdowns and repayment can be made once per calendar month.	7,930		49	
Long-Term Loan Agreement	EMDFC	EMDFC provides a Thai Baht-denominated long-term loan to Esso of Baht 3,000 million with principal repayment every 3 months. The loan will mature in November 2022.	1,000		12	
Long-Term Loan Agreement	EMDFC	EMDFC provides a Thai Baht-denominated long-term loan to Esso of Baht 2,500 million with principal repayment every 3 months. The loan will mature in June 2024.	2,083		10	
Long-Term Loan Agreement	EMDFC	EMDFC provides a Thai Baht-denominated long-term loan to Esso of Baht 6,000 million with principal repayment every 3 months. The loan will mature in June 2023.	3,500		83	
Long-Term Loan Agreement	EML	EML provides a Thai Baht-denominated long-term loan to Esso of Baht 700 million with principal repayment every 3 months. The loan will mature in June 2022.	117		2	
TOTAL (see notes to financial statements no.34)			18,124		176	



Financial Statements

Statement of Board of Directors' Responsibilities for Financial Reporting

The accompanying consolidated financial statements of Esso (Thailand) Public Company Limited and its subsidiaries and the financial statements of Esso (Thailand) Public Company Limited have been prepared in conformity with the requirements of the Public Limited Company Act B.E. 2535, the Securities and Exchange Commission Act B.E. 2535, the Announcement of the Department of Business Development dated September 28, 2011 issued in accordance with Section 11, Paragraph 3 of the Accounting Act B.E. 2543, and the Financial Reporting Standards prescribed by the Federation of Accounting Professions.

The Board of Directors is responsible for the financial statements which have been prepared in a prudent manner and contain accurate and complete material information to provide reasonable assurance that the financial position, results of operations and cash flows of the Company and its subsidiaries are presented accurately, an effective internal control system has been established, accounting records have been properly and adequately maintained to safeguard assets and prevent fraud and other irregularities with material implications, appropriate accounting policies have been consistently applied in accordance with Financial Reporting Standards and material information has been adequately disclosed in the notes to the financial statements. The independent auditor has expressed opinion on the financial statements of Esso (Thailand) Public Company Limited and its subsidiaries in the Auditor's Report.



Mr. Adisak Jangkamolkulchai

Chairman and Managing Director

Esso (Thailand) Public Company Limited



ESSO (THAILAND) PUBLIC COMPANY LIMITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2021

Independent Auditor's Report

To the shareholders (and the Board of Directors) of Esso (Thailand) Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Esso (Thailand) Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p>Revenue Recognition</p> <p>In 2021, the Group recognised revenues of Baht 167,151 million which derived from two main business segments, Downstream and Petrochemical segments, as disclosed in the Note 6 to the financial statements.</p> <p>The revenues are determined and recognised, based on the contractual price and volume of products delivered. The price is based on the market price and a number of other factors, depending on the distribution channels and contract terms with customers. The volumes sold are measured using applicable meters when the products are delivered to customers via pipeline, truck, or vessel.</p> <p>I focused on the revenue recognition of the petroleum products and petrochemical products because the revenue amounts and number of revenue transactions are material. In addition, selling prices are based on market prices and a number of other factors as stated in the contracts with customers.</p>	<p>My work performed over revenue recognition included:</p> <ul style="list-style-type: none"> • Obtaining an understanding and making inquiries to management about revenue recognition principle in accordance with TFRS15, accounting guidelines, disclosures and systems to support revenue recognition to assess correctness and appropriateness of the accounting standard and accounting policies the Group applied; • Obtaining an understanding and testing the design and operating effectiveness of key controls in relation to the recognition of revenues, particularly focus on controls around the timely and accurate recording of sales transactions; • Testing gross sales transactions and credit/debit notes on sampling basis by tracing to relevant supporting documents, including invoices to customers, delivery documents and subsequent cash receipts from those customers. Additionally, I inspected sales contracts and/or other related documents between the Group and customers to determine whether the revenue transactions were recognised correctly and appropriately; • Selecting revenue samples prior to and after year end to test whether they are recorded in appropriate timing, based on terms and conditions set out in sales invoices and delivery documents or system generated reports; and • Sending debtor confirmations for balances as at 31 October 2021, completing appropriate roll-forward procedures and performing subsequent receipt testing on customer balances for which confirmations were not received. <p>From the procedures performed, I found that the revenue recognition of the petroleum products and petrochemical products was appropriately applied in accordance with the Group's accounting policies.</p>

Key audit matter	How my audit addressed the key audit matter
<p>Cost of Inventory</p> <p>As of 31 December 2021, the Group held inventories, mainly petroleum and petrochemical products, of Baht 7,770 million which represent 11 percent of the Group's total assets.</p> <p>Cost of inventories primarily comprise purchase prices of crude oil and the manufacturing costs which are allocated to each type of products. Cost calculation requires the Group to perform the following procedures:</p> <ul style="list-style-type: none"> • Generating an automated report that computes the unit cost of each product. From this report, the production costs of inventories are pooled together and are allocated to each product using percentage of each product reference value to total production costs; • Performing a comparison between product unit costs and market prices to ensure there is no significant unusual item; and • Using final unit costs for calculation of inventory balance using FIFO application. <p>I focused on this area because the sizes of inventory balances from petroleum and petrochemical products are material to the Group's financial statements. In addition, the calculation of inventory cost is complex. The accuracy and the completeness of information used for unit cost calculation are important which influences pricing decision and the Group's profit and loss.</p>	<p>My work performed over cost of inventories included:</p> <ul style="list-style-type: none"> • Obtaining an understanding and testing the design and operating effectiveness of key controls in relation to over the inventory management and procurement cycle to the purchase requisitions, purchase orders, goods receiving, payments and recording to reflect the accuracy of the cost of inventory; • Testing purchase transactions in relation to timing, amounts and volumes on sampling basis by tracing to relevant supporting documents, including invoices from suppliers and receiving documents; • Selecting inventory purchase samples prior to and after year end to test whether they are recorded in appropriate timing, based on terms and conditions set out in delivery documents and recording to reflect the accuracy of the cost of inventory; • Obtaining an understanding of basis of inventory cost to identify appropriateness of accounting policies the Group applied; • Comparing unit cost of each product with its market price as at the reporting date to ensure there is no significant unusual item; and • Engaging specialists in Information Systems and Technology to verify accuracy and reliability of the reports used in cost allocation. <p>From the procedures performed, I found that cost of inventories is calculated and allocated based on appropriate methodologies which are consistent with the Group's accounting policies.</p>
<p>Valuation of deferred tax assets on net losses carried forward</p> <p>As of 31 December 2021, the balance of deferred income tax assets relating to net losses carried forward of the Group was Baht 1,758 million which represents approximately 3 percent of the Group's total assets. The Group recognises deferred tax assets from tax losses carried forward to the extent it is probable that future taxable profits will allow it to be recovered.</p> <p>Management of the Group has performed a financial performance projection of the Group, including expected future taxable profit to support recoverability of such deferred tax assets. The projection is based on historical data and expected future outcome. The significant assumptions include refining margin, production volumes, and crude prices.</p> <p>I focus on this area because there are a number of assumptions used in the Group's financial performance projection. Those assumptions involve significant judgement made by management in assessing the Group's future taxable profit. In addition, the balance of deferred income tax assets from net losses carried forward is significant to the consolidated financial statements.</p>	<p>I evaluated evidence supporting the recoverability of the deferred tax assets from net losses carried forward which is management's projected future taxable income by performing procedures below.</p> <ul style="list-style-type: none"> • Evaluating and challenging management's judgement and assumptions used in forming its five-year financial performance projection, which includes the assumptions for future growth of refinery margin, production volumes, and crude prices. The reasonableness of these underlying assumptions was verified against external sources, industry benchmarks, and historical information; and • Developing an independent projection of the Group's future taxable income using researched information and verified internal information, with no significant differences from the result that the Group's management prepared. <p>Based on procedures I have carried out, I consider that management's key assumptions underlying the projection of future taxable income to be within a reasonable range.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



Pongthavee Ratanakoses
Certified Public Accountant (Thailand) No. 7795
Bangkok
24 February 2022

Esso (Thailand) Public Company Limited

Statement of Financial Position

As at 31 December 2021

(All amounts in Baht thousand unless otherwise stated)

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	801,746	261,687	801,746	261,687
Trade receivables	8	8,171,239	5,083,153	8,171,239	5,083,153
Amounts due from related parties	34f	15	36,486	47,014	99,982
Inventories	9	18,785,977	13,144,237	18,785,977	13,144,237
Other receivables	10	4,151,729	2,888,219	4,151,729	2,888,219
Other current assets	11	1,873,547	1,507,155	2,003,929	1,639,698
Total current assets		33,784,253	22,920,937	33,961,634	23,116,976
Non-current assets					
Financial assets measured at fair value through other comprehensive income	12	1,147,500	1,071,000	1,147,500	1,071,000
Investments in an associate	14	2,094,717	2,137,192	1,729,360	1,729,360
Investments in subsidiaries	14	-	-	114,589	114,589
Long-term loans to related parties	34g	-	-	3,553,483	3,443,943
Property, plant and equipment	15	23,705,650	24,750,398	19,520,867	20,545,508
Right-of-use assets	16	4,304,886	4,287,336	4,334,832	4,342,922
Intangible assets	17	152,686	181,195	152,686	181,195
Deferred income tax assets	18	2,360,748	3,511,731	2,250,931	3,400,712
Prepaid rental and deferred charges		149,534	265,474	249,347	484,098
Other non-current assets	19	2,354,629	2,252,822	2,354,629	2,252,822
Total non-current assets		36,270,350	38,457,148	35,408,224	37,566,149
Total assets		70,054,603	61,378,085	69,369,858	60,683,125

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings from financial institutions	20	7,899,982	6,081,506	7,899,982	6,081,506
Trade and other payables	21	5,117,306	4,451,951	5,116,809	4,451,535
Amounts due to related parties	34f	10,588,460	7,894,058	10,588,275	7,893,884
Current portion of long-term borrowings from financial institutions	20	1,717,067	1,933,333	1,717,067	1,933,333
Current portion of long-term loans from related parties	34h	3,950,000	3,233,333	3,950,000	3,233,333
Short-term loans from related parties	34h	11,423,386	10,621,104	11,424,236	10,621,980
Current income tax payables		289	617	-	-
Current portion of lease liabilities		438,314	357,665	464,366	383,717
Short-term provisions for employee benefits	22	872,943	872,389	872,943	872,389
Total current liabilities		42,007,747	35,445,956	42,033,678	35,471,677
Non-current liabilities					
Long-term borrowings from financial institutions	20	1,249,400	1,716,667	1,249,400	1,716,667
Long-term loans from related parties	34h	2,750,000	4,616,667	2,751,259	4,617,968
Lease liabilities		2,399,499	2,439,856	2,403,965	2,469,911
Long-term provisions for employee benefits	22	2,439,614	2,799,408	2,439,614	2,799,408
Other non-current liabilities	5	5	5	5	5
Total non-current liabilities		8,838,518	11,572,603	8,844,243	11,603,959
Total liabilities		50,846,265	47,018,559	50,877,921	47,075,636

The accompanying notes are an integral part of these consolidated and separate financial statements.

The accompanying notes are an integral part of these consolidated and separate financial statements.

Esso (Thailand) Public Company Limited

Statement of Comprehensive Income

For the year ended 31 December 2021

(All amounts in Baht thousand unless otherwise stated)

Notes	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Liabilities and equity (continued)				
Equity				
Share capital				
Authorised share capital				
3,467,916,666 ordinary shares				
with par value				
of Baht 4.9338 each				
23	17,110,007	17,110,007	17,110,007	17,110,007
Issued and paid-up share capital				
3,460,858,000 ordinary shares				
with paid-up value				
of Baht 4.9338 each				
23	17,075,181	17,075,181	17,075,181	17,075,181
23	4,031,711	4,031,711	4,031,711	4,031,711
Retained earnings (deficits)				
Appropriated				
Legal reserve				
24	1,000,901	1,000,901	1,000,901	1,000,901
Unappropriated				
	(3,637,776)	(8,080,990)	(4,353,988)	(8,832,838)
25	730,887	325,289	738,132	332,534
Equity attributable to owners of the parent				
	19,200,904	14,352,092	18,491,937	13,607,489
Non-controlling interests				
	7,434	7,434	-	-
Total equity				
	19,208,338	14,359,526	18,491,937	13,607,489
Total liabilities and equity				
	70,054,603	61,378,085	69,369,858	60,683,125

The accompanying notes are an integral part of these consolidated and separate financial statements.

Notes	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
6, 26	167,151,269	123,649,223	167,151,269	123,649,223
6	5,727,085	3,022,499	5,727,085	3,022,499
	(162,260,608)	(131,407,566)	(162,274,311)	(131,421,664)
Gross profit (loss)				
	10,617,746	(4,735,844)	10,604,043	(4,749,942)
Selling expenses				
	(4,834,206)	(4,948,491)	(5,013,787)	(5,132,340)
Administrative expenses				
	(233,579)	(268,293)	(233,255)	(267,968)
Profit (loss) from sales				
	5,549,961	(9,952,628)	5,357,001	(10,150,250)
Other income				
	25,642	67,127	295,394	424,443
Interest income				
	3,152	2,970	186,104	187,763
Finance costs				
	(310,781)	(360,485)	(311,267)	(361,369)
14	226,818	285,102	-	-
Profit (loss) before income tax				
	5,494,792	(9,957,914)	5,527,232	(9,899,413)
28	(1,050,862)	2,047,599	(1,048,382)	2,050,117
Profit (Loss) for the period				
	4,443,930	(7,910,315)	4,478,850	(7,849,296)
Other comprehensive income (loss) for the year, net of tax:				
Item that will not be reclassified to profit or loss:				
Remeasurements of provisions for employee benefits				
25	344,398	375,870	344,398	375,870
Changes in fair value of equity investments				
at fair value through other comprehensive income				
25	61,200	(223,200)	61,200	(223,200)
Total comprehensive income (loss) for the year				
	4,849,528	(7,757,645)	4,884,448	(7,696,626)
Profit (loss) attributable to:				
Owners of the parent				
	4,443,214	(7,911,074)	4,478,850	(7,849,296)
Non-controlling interests				
	716	759	-	-
	4,443,930	(7,910,315)	4,478,850	(7,849,296)
Total comprehensive income (loss) attributable to:				
Owners of the parent				
	4,848,812	(7,758,404)	4,884,448	(7,696,626)
Non-controlling interests				
	716	759	-	-
	4,849,528	(7,757,645)	4,884,448	(7,696,626)
Earnings (loss) per share for loss attributable to the equity holders of the parent (expressed in Baht per share)				
29	1.28	(2.29)	1.29	(2.27)

The accompanying notes are an integral part of these consolidated and separate financial statements.

Esso (Thailand) Public Company Limited

Statement of Changes in Equity

For the year ended 31 December 2021

(All amounts in Baht thousand unless otherwise stated)

Consolidated financial statements

Attributable to owners of the parent

	Attributable to owners of the parent											Total equity
	Retained earnings (Deficits)			Other components of equity								
				Other comprehensive income					Share of other comprehensive loss of an associate	Total other components of equity	Equity attributable to owners of the parent	
	Issued and paid-up share capital	Share premium	Appropriated - legal reserve	Unappropriated - retained earnings (deficits)	Available-for-sale investments	Provisions for employee benefits	Measurement of equity investments at fair value through other comprehensive income					
Opening balance at 1 January 2020												
- as reported	17,075,181	4,031,711	1,000,901	(169,916)	1,051,200	(871,336)	-	(7,245)	172,619	22,110,496	7,434	22,117,930
Retrospective adjustments from changes in accounting policy	-	-	-	-	(1,051,200)	-	1,051,200	-	-	-	-	-
Opening balance at 1 January 2020												
- restated	17,075,181	4,031,711	1,000,901	(169,916)	-	(871,336)	1,051,200	(7,245)	172,619	22,110,496	7,434	22,117,930
Changes in equity for the year 2020												
Total comprehensive (loss) income	-	-	-	(7,911,074)	-	375,870	(223,200)	-	152,670	(7,758,404)	759	(7,757,645)
Dividend paid	-	-	-	-	-	-	-	-	-	-	(759)	(759)
Closing balance at 31 December 2020	<u>17,075,181</u>	<u>4,031,711</u>	<u>1,000,901</u>	<u>(8,080,990)</u>	<u>-</u>	<u>(495,466)</u>	<u>828,000</u>	<u>(7,245)</u>	<u>325,289</u>	<u>14,352,092</u>	<u>7,434</u>	<u>14,359,526</u>
Opening balance at 1 January 2021	17,075,181	4,031,711	1,000,901	(8,080,990)	-	(495,466)	828,000	(7,245)	325,289	14,352,092	7,434	14,359,526
Changes in equity for the year 2021												
Total comprehensive income	-	-	-	4,443,214	-	344,398	61,200	-	405,598	4,848,812	716	4,849,528
Dividend paid	-	-	-	-	-	-	-	-	-	-	(716)	(716)
Closing balance at 31 December 2021	<u>17,075,181</u>	<u>4,031,711</u>	<u>1,000,901</u>	<u>(3,637,776)</u>	<u>-</u>	<u>(151,068)</u>	<u>889,200</u>	<u>(7,245)</u>	<u>730,887</u>	<u>19,200,904</u>	<u>7,434</u>	<u>19,208,338</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

Esso (Thailand) Public Company Limited

Statement of Changes in Equity

For the year ended 31 December 2021

(All amounts in Baht thousand unless otherwise stated)

Separate financial statements

	Retained earnings (Deficits)			Other components of equity				Total other components of equity	Total equity
	Issued and paid-up share capital	Share premium	Appropriated - legal reserve	Unappropriated - retained earnings (deficits)	Other comprehensive income				
					Available-for-sale investments	Provisions for employee benefits	Measurement of equity investments at fair value through other comprehensive income		
Opening balance at 1 January 2020 - as reported	17,075,181	4,031,711	1,000,901	(983,542)	1,051,200	(871,336)	-	179,864	21,304,115
Retrospective adjustments from changes in accounting policy	-	-	-	-	(1,051,200)	-	1,051,200	-	-
Opening balance at 1 January 2020 - restated	17,075,181	4,031,711	1,000,901	(983,542)	-	(871,336)	1,051,200	179,864	21,304,115
Changes in equity for the year 2020									
Total comprehensive (loss) income	-	-	-	(7,849,296)	-	375,870	(223,200)	152,670	(7,696,626)
Closing balance at 31 December 2020	<u>17,075,181</u>	<u>4,031,711</u>	<u>1,000,901</u>	<u>(8,832,838)</u>	<u>-</u>	<u>(495,466)</u>	<u>828,000</u>	<u>332,534</u>	<u>13,607,489</u>
Opening balance at 1 January 2021	17,075,181	4,031,711	1,000,901	(8,832,838)	-	(495,466)	828,000	332,534	13,607,489
Changes in equity for the year 2021									
Total comprehensive income	-	-	-	4,478,850	-	344,398	61,200	405,598	4,884,448
Closing balance at 31 December 2021	<u>17,075,181</u>	<u>4,031,711</u>	<u>1,000,901</u>	<u>(4,353,988)</u>	<u>-</u>	<u>(151,068)</u>	<u>889,200</u>	<u>738,132</u>	<u>18,491,937</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

Esso (Thailand) Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2021

(All amounts in Baht thousand unless otherwise stated)

Notes	Consolidated financial statements		Separate financial statements		
	2021	2020	2021	2020	
Cash flows from operating activities					
Cash generated from operations	30	1,855,348	135,975	1,824,407	159,735
Interest paid		(271,176)	(220,810)	(271,200)	(220,844)
Income tax (paid) received		(42,850)	493,764	(38,829)	495,079
Net cash generated from operating activities		1,541,322	408,929	1,514,378	433,970
Cash flows from investing activities					
Loan payments received from related parties	34 g	-	-	78,438	658
Loans made to related parties	34 g	-	-	(187,978)	(193,182)
Purchase of property, plant and equipment		(1,456,871)	(1,468,673)	(1,456,871)	(1,468,673)
Purchase of intangible assets	17	(4,044)	(17,923)	(4,044)	(17,923)
Payments for right-of-use assets		(192,609)	(181,872)	(192,609)	(181,872)
Proceeds from disposal of property, plant and equipment	30	39,637	13,292	16,909	13,292
Interest received		3,152	2,970	184,669	192,725
Dividends received from a subsidiary		-	-	3,100	2,500
Dividends received from an associate		269,293	354,815	269,293	354,815
Dividend received from financial assets measured at fair value through other comprehensive income		-	45,900	-	45,900
Net cash used in investing activities		(1,341,442)	(1,251,491)	(1,289,093)	(1,251,760)
Cash flows from financing activities					
Net proceeds from (payments on) short-term borrowings		1,818,476	(406,872)	1,818,476	(406,872)
Payments on long-term borrowings		(2,183,533)	(1,633,333)	(2,183,533)	(1,633,333)
Proceeds from long-term borrowings		1,500,000	2,000,000	1,500,000	2,000,000
Net proceeds from (payments on) short-term loans from related parties		798,094	(2,641,717)	798,068	(2,641,740)
Payments on long-term loans from related parties		(3,650,000)	(2,133,333)	(3,654,302)	(2,136,991)
Proceeds from long-term loans from related parties		2,500,000	6,000,000	2,504,260	6,004,203
Dividends paid to non-controlling interests		(716)	(759)	-	-
Payments on lease liabilities		(442,142)	(356,420)	(468,195)	(382,473)
Net cash generated from financing activities		340,179	827,566	314,774	802,794
Net increase (decrease) in cash and cash equivalents					
Cash and cash equivalents at the beginning of the year		261,687	276,683	261,687	276,683
Cash and cash equivalents at the end of the year	7	801,746	261,687	801,746	261,687

The accompanying notes are an integral part of these consolidated and separate financial statements.

Esso (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

(All amounts in Baht thousand unless otherwise stated)

1 General information

Esso (Thailand) Public Company Limited ("the Company") is a public limited company incorporated and domiciled in Thailand. The address of its registered office is 3195/17-29 Rama IV Road, Klongton, Klongtoey, Bangkok, 10110.

The Company listed on the Stock Exchange of Thailand ("SET") on 6 May 2008.

The Company and its subsidiaries (together "the Group") are involved in the refining and marketing of petroleum products, which includes a network of retail service stations. The Group operates a refinery and chemical manufacturing plant in Sriracha, Thailand. The Group also operates distribution facilities and oil terminals throughout Thailand. The Group's products are sold through a network of retail service stations, directly to industrial customers, and through export. Additionally, the Group is involved in the sale of chemical products to both domestic and overseas customers.

The Company is a subsidiary of ExxonMobil Group which holds 65.99% of the Company's shares.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 24 February 2022.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy for certain financial assets.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 5.

As at 31 December 2021, the current liabilities of the Group exceeded the current assets by approximately Baht 8,223 million. The Group currently has adequate financing sources to generate operational cash flow and to enable the payment of liabilities when they become due as follows: (1) uncommitted borrowing facilities from related companies and financial institutions in the amount of Baht 75,005 million, and (2) the ability to offer Baht 12,000 million of bills of exchange in a revolving program, of which Baht 500 million has been utilised as of 31 December 2021 as approved by the Securities and Exchange Commission. Even though the aforementioned situation exists, the Group continuously operates and considers operational and financial plans in order to ensure an ability to continue its operations as a going concern in accordance with the demand and supply of relevant industries of the Group. In addition, the Group places importance on and closely monitors the situations. Accordingly, the consolidated and separate financial statements have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to amounts or classification of liabilities that may be necessary if the going concern basis of preparing the consolidated and separate financial statements is not appropriate.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout TFRS and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

The new and amended financial reporting standards do not generally represent a significant change from the Group's current practice.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022

a) Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The amendment to financial reporting standards has not been early adopted by the Group and does not generally represent a significant change from the Group's current practice.

4 Accounting policies

4.1 Group Accounting - Investments in subsidiaries and associates

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investments. Details of the subsidiaries are included in Note 14.

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group subsequently recognises shares of its associates' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates equals or exceeds its interest in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

In the Company's separate financial statements, the investment in an associate is accounted for at cost less impairment. Cost also includes direct attributable costs of investments. Details of the associate are included in Note 14.

4.2 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents include cash on hand, deposits held at call, and other short-term highly liquid investments with original maturities of three months or less from acquisition date. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

4.3 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.5(e).

4.4 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined under the following methods:

Crude oil and petroleum products	First-in, first-out method
Petrochemical products	First-in, first-out method
Materials and supplies	Average unit cost method
Other merchandise	Average unit cost method

Purchase cost includes the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods is primarily comprised of raw materials, transportation costs, direct labour, and direct manufacturing expenditures. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving, and defective inventories.

4.5 Financial asset

(a) Classification

The Group classifies its financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI).

(b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset.

(d) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

(e) Impairment

The Group assesses on a forward looking basis the expected credit loss associated with its financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment (and reversal of impairment) losses are recognised in profit or loss.

4.6 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for temporary differences if it arises from:

- initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.7 Intangible assets

(a) Royalties and licenses

Acquired royalties and licenses are shown at historical cost. Royalties and licenses have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost of royalties and licenses over their estimated useful lives (5 to 20 years).

(b) Computer software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred.

Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and which will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overhead.

Computer software development costs recognised as assets are amortised over their estimated useful lives (5 to 20 years).

4.8 Property, plant and equipment

Land is stated at historical cost. All other property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated and separate statement of comprehensive income during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of each asset, except for land which is considered to have an indefinite life, to its residual value over its estimated useful life, as follows:

Buildings, plant and equipment	3 to 25 years
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An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 4.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'selling expenses', 'administrative expenses' and 'other income' in the statement of comprehensive income.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted-average interest rate applicable to the outstanding borrowings during the year. Where funds are borrowed specifically for the construction of property, plant and equipment, the amount of borrowing costs for capitalisation is determined from the actual borrowing costs during the period less any income on the temporary investment of those borrowings.

4.9 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.10 Leases

Leases - where the Group is the lessee

The Group leases office building, equipment, motor vehicle and various plots of land on which retail service stations are operated under lease agreement. The lease terms generally range between 3 to 30 years, and may have the renewal option at the end of the lease period.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability, and
- any lease payments made at or before the commencement date

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

4.11 Financial liabilities

(a) Classification

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

(b) Measurement

Financial liabilities are initially recognised at contractual amounts, net of transaction costs incurred and are subsequently measured at amortised cost.

4.12 Employee benefits

(a) Provident Fund Plan

The Group operates a Provident Fund that is a defined contribution plan, the assets of which are held in a separate trust fund, in accordance with the Provident Fund Act B.E. 2530. The Provident Fund is funded by payments from employees and the Group. Contributions to the Provident Fund are charged to the statement of comprehensive income in the year to which they relate. All employees hired on or after 1 September 1997 are required to be members of the Provident Fund.

The Group provides for post-employment benefits, payable to Provident Fund members reaching normal retirement age, in accordance with Thai Labour Law. The benefit liability is recorded as the present value of estimated future cash outflows using interest rates which have terms to maturity approximating the terms of the related liabilities.

(b) Employee Separation Benefit and Long Service Allowance Plan

The Group maintains a defined benefit plan for employees hired prior to 1 September 1997 and who do not elect to participate in the Provident Fund, with this plan being unfunded. The plan contains Employee Separation Benefit and Long Service Allowance Plans, which is in accordance with the retirement laws and regulations of Thailand. Entitlement to these benefits is based on a minimum service period, final month's salary, and the plan provisions.

Actuarial valuations of the benefit plan requirements are performed every 3 years using the projected unit credit method. Based on the valuation, appropriate provisions are accrued and all payments are made against the accumulated provisions. The liability recognised in the statement of financial position is the present value of the defined benefit obligation at the end of the reporting period.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of Investment grade corporate bonds that are mainly denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

(c) Employee Savings Plan

Beginning 2009, the Group operates an Employee Savings Plan for all regular Thai employees. The entitlement to this plan is based on a minimum service period of three years and the plan's provisions on withdrawal rights after vesting. This plan will vest 50 percent after three years and 100 percent after six years.

4.13 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events such that it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset at the time when reimbursement is virtually certain.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction, net of tax, from the proceeds.

4.15 Foreign currency translation

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

4.16 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the sales of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

(a) Sales of goods

Sales are recognised when control of the products has transferred, being when the risks and rewards of ownership have passed to the buyer, which is generally at the point of delivery, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Contract assets are mainly from marketing assistance programs. Contract liabilities are mainly customer prepayments and accruals of expected volume discounts.

(b) Sales of services and other operating revenues

The Group receives rental income and franchise fees from dealers who operate branded retail stations. Rental income and franchise fees are recognised over the contract's term. Service revenues are recognised in the period in which the services are provided.

(c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

When inventories are exchanged or swapped for inventories which are of a similar nature and value, the exchange is not considered a transaction which generates revenue.

4.17 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the compensation of costs are recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate.

Government grant, which is subsidy from oil fuel fund, is separately presented from revenue from sales.

4.18 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or Board of Directors (as the case maybe).

4.19 Financial instruments

Financial assets carried on the statement of financial position include cash and cash equivalents, trade receivables, amounts due from related parties, loans to related parties, and other assets. Financial liabilities carried on the statement of financial position include borrowings from financial institutions, trade and other payables, amounts due to related parties, loans from related parties, and other liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item where applicable.

4.20 Segment reporting

Segment results that are reported to the Group's Management Committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, not necessarily equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recognition of deferred tax assets associated with tax losses carried forward

A deferred tax asset is recognised to the extent it is probable that the tax losses carried forward will be utilised. Such an assessment is based upon management's review of the forecasted financial income.

Asset retirement obligations

It is recognised that the Group may incur asset retirement obligations for the dismantling and site restoration costs of its manufacturing facilities. The timing and amount of cash flows is difficult to estimate as the Group has no intention to decommission the sites in the near future. Accordingly and consistent with industry practice, no provision is recorded for asset retirement obligations as the amount cannot be measured with sufficient reliability due to the significant uncertainties involved.

6 Segment information

As at 31 December 2021, the Group is organised into two main business segments, namely:

- Downstream, which includes the refining and marketing of petroleum products; and
- Petrochemicals, which includes the manufacturing and marketing of chemical products.

Inter-segment transactions are priced under normal commercial terms and conditions that would also be available to unrelated third parties.

The segment information for the year ended 31 December 2021 are as follows:

	Downstream	Petrochemicals	Total
Total segment revenue	173,613,185	9,587,427	183,200,612
Inter-segment revenue	(6,372,936)	(3,949,322)	(10,322,258)
Revenue	167,240,249	5,638,105	172,878,354
Segment profit (loss) from sales	6,352,351	(802,390)	5,549,961
Segment fixed assets	23,456,963	248,687	23,705,650
Revenue from contracts with customers			
Timing of revenue recognition			
- At a point in time	161,288,167	5,638,085	166,926,252
- Over time	97,741	20	97,761
Total	161,385,908	5,638,105	167,024,013
Other revenue not from contracts with customers	5,854,341	-	5,854,341
Total revenue	167,240,249	5,638,105	172,878,354

The segment information for the year ended 31 December 2020 are as follows:

	Downstream	Petrochemicals	Total
Total segment revenue	131,006,743	13,801,037	144,807,780
Inter-segment revenue	(11,246,963)	(6,889,095)	(18,136,058)
Revenue	119,759,780	6,911,942	126,671,722
Segment loss from sales	(8,326,795)	(1,625,833)	(9,952,628)
Segment fixed assets	23,798,891	951,508	24,750,399
Revenue from contracts with customers			
Timing of revenue recognition			
- At a point in time	116,559,511	6,911,886	123,471,397
- Over time	54,633	56	54,689
Total	116,614,144	6,911,942	123,526,086
Other revenue not from contracts with customers	3,145,636	-	3,145,636
Total revenue	119,759,780	6,911,942	126,671,722

7 Cash and cash equivalents

	Consolidated and Separate financial statements	
	2021	2020
Cash on hand	157,028	16,659
Cash at bank	644,718	245,028
Cash and cash equivalents	801,746	261,687

8 Trade receivables

8.1 Trade receivables

	Consolidated and Separate financial statements	
	2021	2020
Trade receivables, gross	8,174,347	5,103,506
Less: Loss allowance (Note 30)	(3,108)	(20,353)
Trade receivables, net	8,171,239	5,083,153

Outstanding trade receivables, as at 31 December 2021 and 2020, are analysed as follows:

	Consolidated and Separate financial statements	
	2021	2020
Current	7,636,913	5,055,300
Overdue:		
- Less than 3 months	518,644	27,130
- 3 to 6 months	4,948	112
- 6 to 12 months	10,734	86
- Over 12 months	3,108	20,878
	8,174,347	5,103,506
Less: Allowance (Note 30)	(3,108)	(20,353)
	8,171,239	5,083,153

8.2 Impairments of trade receivables

The loss allowances for trade receivables and contract assets as at 31 December reconcile to the opening loss allowances as follow:

	Consolidated and Separate financial statements	
	2021	2020
Opening loss allowance at 1 January	20,353	32,705
Increase In loss allowance recognised in profit or loss during the year	1,254	2,781
Receivables written off during the year as uncollectible	(760)	(915)
Unused amount reversed	(17,739)	(14,218)
Closing loss allowance at 31 December	3,108	20,353

9 Inventories

	Consolidated and Separate financial statements	
	2021	2020
Crude oil	10,133,796	7,193,780
Petroleum products	7,460,460	4,701,248
Petrochemical products	309,823	375,852
Materials and supplies	879,285	872,192
Other merchandise	2,613	1,165
Inventories	18,785,977	13,144,237

As at 31 December 2021, part of petroleum and petrochemical products in the consolidated and separate financial statements of Baht 1,505 million (2020: Baht 212 million) was carried at net realisable value with this being lower than cost.

The provisions of the Oil Trading Act B.E. 2543 require the Group to maintain certain minimum levels of inventory at all times. As at 31 December 2021, the value of this inventory amounted to Baht 5,127 million (2020: Baht 2,823 million).

10 Other receivables

Other receivables primarily relate to subsidy claims which are expected to be refunded within 12 months.

11 Other current assets

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Prepaid excise tax	1,196,491	1,061,081	1,196,491	1,061,081
Prepaid expenses and deferred charges	292,493	191,056	425,340	323,649
Contract assets	270,077	216,975	270,077	216,975
Income tax receivable	86,897	22,209	86,897	22,209
Other	27,589	15,834	25,124	15,784
	1,873,547	1,507,155	2,003,929	1,639,698

12 Financial assets and financial liabilities

The classification of the Group's financial assets and financial liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Financial assets				
Financial assets at amortised cost				
Cash and cash equivalents	801,746	261,687	801,746	261,687
Trade receivables	8,171,239	5,083,153	8,171,239	5,083,153
Amounts due from related parties	15	36,486	47,014	99,982
Long-term loans to related parties	-	-	3,553,483	3,443,943
Financial assets at fair value through other comprehensive income (FVOCI)	1,147,500	1,071,000	1,147,500	1,071,000
	10,120,500	6,452,326	13,720,982	9,959,765
Financial liabilities				
Liabilities at amortised cost				
Bank overdrafts and short-term borrowings from financial institutions	7,899,982	6,081,506	7,899,982	6,081,506
Trade and other payables	4,151,043	3,492,914	4,150,546	3,492,498
Amounts due to related parties	10,588,460	7,894,058	10,588,275	7,893,884
Current portion of long-term borrowings from financial institutions	1,717,067	1,933,333	1,717,067	1,933,333
Current portion of long-term loans from related parties	3,950,000	3,233,333	3,950,000	3,233,333
Short-term loans from related parties	11,423,386	10,621,104	11,424,236	10,621,980
Current portion of lease liabilities	438,314	357,665	464,366	383,717
Long-term borrowings from financial institutions	1,249,400	1,716,667	1,249,400	1,716,667
Long-term loans from related parties	2,750,000	4,616,667	2,751,259	4,617,968
Lease liabilities	2,399,499	2,439,856	2,403,965	2,469,911
	46,567,151	42,387,103	46,599,096	42,444,797

12.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets at amortised cost other than trade receivables:

	Consolidated financial statements					
	31 December 2021			31 December 2020		
	Current	Non-current	Total	Current	Non-current	Total
Amounts due from related parties	15	-	15	36,486	-	36,486
Total	15	-	15	36,486	-	36,486
	Separate financial statements					
	31 December 2021			31 December 2020		
	Current	Non-current	Total	Current	Non-current	Total
Amounts due from related parties	47,014	-	47,014	99,982	-	99,982
Loans to related parties	-	3,553,483	3,553,483	-	3,443,943	3,443,943
Total	47,014	3,553,483	3,600,497	99,982	3,443,943	3,543,925

b) Fair values of other financial assets at amortised cost

The fair values of loans to related parties carried at amortised cost approximate at their carrying amounts as the interest rates according to loan agreements are floating rates, reflective of market rates.

12.2 Financial assets at fair value through other comprehensive income

i) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category.

Financial assets at FVOCI comprise the following investments:

	Consolidated and Separate financial statements	
	2021	2020
Non-current assets		
Investments in equity investments		
- Listed securities	1,147,500	1,071,000
Total	1,147,500	1,071,000

The investments consist of an investment in equity securities of Bangkok Aviation Fuel Services Public Company Limited (BAFS) which is listed on the Stock Exchange of Thailand.

ii) Amounts recognised in profit or loss and other comprehensive income

The following gains/(losses) were recognised in profit or loss and other comprehensive income during the year as follows:

	Consolidated and Separate financial statements	
	2021	2020
Gain (Loss) recognised in other comprehensive income (Note 25)	76,500	(279,000)
Dividends from equity investments at FVOCI recognised in profit or loss in other income	-	45,900

13 Fair value

Fair value estimation

The table below demonstrates financial instruments carried at fair values, by the valuation methods (excluding where the fair values are approximately the carrying amount). The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial assets that are measured and recognised at fair value Level 1 at 31 December 2021 and 2020.

	Consolidated and Separate financial statements	
	2021	2020
Financial assets measured at fair value through other comprehensive income		
Equity securities	1,147,500	1,071,000
Total	1,147,500	1,071,000

The Group and the Company have financial assets that are measured at fair value level 2 (Note 12.1 (b)) but no financial assets are measured at fair value level 3. There are also no changes in valuation techniques during the year.

14 Investments in subsidiaries and an associate

14.1 Subsidiaries

The principal subsidiaries, all of which are incorporated and domiciled in Thailand, are:

Business	Investment value per cost method		% Ordinary share ownership	
	2021	2020	2021	2020
Mobil Enterprises (Thailand) Limited	833	833	100.00	100.00
Industry Promotion Enterprises Limited	51,484	51,484	100.00	100.00
United Industry Development Company Limited and its subsidiaries	58,939	58,939	100.00	100.00
Pacesetter Enterprises Limited	3,333	3,333	99.99	99.99

The ownership percentages detailed above include the effects of both direct and indirect ordinary shareholdings, but exclude preferred shares. The Company does not own any of the preferred shares issued by these subsidiaries, but has the ability to govern the financial and operating policies of each subsidiary.

14.2 Associate

The Company holds a 20.78% interest in an associate, Thai Petroleum Pipeline Company Limited ("Thapline"), which is incorporated and domiciled in Thailand with its primary business activity being the operation of a petroleum pipeline business.

The movements in investments in an associate are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
At 1 January	2,137,192	2,206,905	1,729,360	1,729,360
Share of profit from an associate (Note 30)	226,818	285,102	-	-
Dividend received	(269,293)	(354,815)	-	-
At 31 December	2,094,717	2,137,192	1,729,360	1,729,360

The Group's share of the results of its associate, which is unlisted, and its aggregated assets and liabilities, are as follows:

	Consolidated financial statements	
	2021	2020
Assets	2,482,849	2,540,060
Liabilities	(388,132)	(402,868)
Net assets	2,094,717	2,137,192
Revenues	536,820	616,146
Net profit	226,818	285,102

15 Property, plant and equipment

At 1 January 2020

At 1 January 2020

Cost
Less: Accumulated depreciation

Net book amount

Year ended 31 December 2020

Opening net book amount
Additions
Disposals
Transfers
Depreciation charge (Note 30)
Impairment (Note 30)

Closing net book amount

At 31 December 2020

Cost
Less: Accumulated depreciation

Net book amount

Year ended 31 December 2021

Opening net book amount
Additions
Disposals
Transfers
Depreciation charge (Note 30)
Impairment (Note 30)

Closing net book amount

At 31 December 2021

Cost
Less: Accumulated depreciation

Net book amount

Land	Consolidated financial statements			Total
	Buildings, plant and equipment	Construction in progress		
At 1 January 2020				
Cost	4,966,090	63,081,062	851,619	68,898,771
Less: Accumulated depreciation	-	(43,298,971)	-	(43,298,971)
Net book amount	4,966,090	19,782,091	851,619	25,599,800
Year ended 31 December 2020				
Opening net book amount	4,966,090	19,782,091	851,619	25,599,800
Additions	-	-	1,378,228	1,378,228
Disposals	-	(45,653)	(1,395)	(47,048)
Transfers	-	1,167,129	(1,167,129)	-
Depreciation charge (Note 30)	-	(2,058,703)	-	(2,058,703)
Impairment (Note 30)	-	(121,879)	-	(121,879)
Closing net book amount	4,966,090	18,722,985	1,061,323	24,750,398
At 31 December 2020				
Cost	4,966,090	63,966,523	1,061,323	69,993,936
Less: Accumulated depreciation	-	(45,243,538)	-	(45,243,538)
Net book amount	4,966,090	18,722,985	1,061,323	24,750,398
Year ended 31 December 2021				
Opening net book amount	4,966,090	18,722,985	1,061,323	24,750,398
Additions	-	-	1,605,692	1,605,692
Disposals	(20,107)	(25,874)	(229)	(46,210)
Transfers	-	949,131	(949,131)	-
Depreciation charge (Note 30)	-	(2,211,303)	-	(2,211,303)
Impairment (Note 30)	-	(392,927)	-	(392,927)
Closing net book amount	4,945,983	17,042,012	1,717,655	23,705,650
At 31 December 2021				
Cost	4,945,983	64,498,737	1,717,655	71,162,375
Less: Accumulated depreciation	-	(47,456,725)	-	(47,456,725)
Net book amount	4,945,983	17,042,012	1,717,655	23,705,650

	Separate financial statements			
	Land	Buildings, plant and equipment	Construction in progress	Total
At 1 January 2020				
Cost	675,420	62,724,691	851,619	64,251,730
Less: Accumulated depreciation	-	(42,856,820)	-	(42,856,820)
Net book amount	675,420	19,867,871	851,619	21,394,910
Year ended 31 December 2020				
Opening net book amount	675,420	19,867,871	851,619	21,394,910
Additions	-	-	1,378,228	1,378,228
Disposals	-	(45,653)	(1,395)	(47,048)
Transfers	-	1,167,129	(1,167,129)	-
Depreciation charge (Note 30)	-	(2,058,703)	-	(2,058,703)
Impairment (Note 30)	-	(121,879)	-	(121,879)
Closing net book amount	675,420	18,808,765	1,061,323	20,545,508
At 31 December 2020				
Cost	675,420	63,610,152	1,061,323	65,346,895
Less: Accumulated depreciation	-	(44,801,387)	-	(44,801,387)
Net book amount	675,420	18,808,765	1,061,323	20,545,508
Year ended 31 December 2021				
Opening net book amount	675,420	18,808,765	1,061,323	20,545,508
Additions	-	-	1,605,692	1,605,692
Disposals	-	(25,874)	(229)	(26,103)
Transfers	-	949,131	(949,131)	-
Depreciation charge (Note 30)	-	(2,211,303)	-	(2,211,303)
Impairment (Note 30)	-	(392,927)	-	(392,927)
Closing net book amount	675,420	17,127,792	1,717,655	19,520,867
At 31 December 2021				
Cost	675,420	64,142,366	1,717,655	66,535,441
Less: Accumulated depreciation	-	(47,014,574)	-	(47,014,574)
Net book amount	675,420	17,127,792	1,717,655	19,520,867

As at 31 December 2021, the cost of fully-depreciated property, plant and equipment of the Group and the Company that were still in use amounted to Baht 20,060 million and Baht 19,733 million, respectively (2020: Baht 14,793 million and Baht 14,466 million).

16 Right-of-use assets

As at 31 December, right-of-use asset balance are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Properties	3,870,929	3,812,185	3,900,875	3,867,771
Motor vehicles	340,885	475,151	340,885	475,151
Equipment	93,072	-	93,072	-
Total	4,304,886	4,287,336	4,334,832	4,342,922

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Depreciation charge of right-of-use assets:				
Properties	(426,178)	(401,517)	(451,818)	(427,157)
Motor Vehicles	(134,265)	(107,440)	(134,265)	(107,440)
Equipment	(35,796)	-	(35,796)	-
Total	(596,239)	(508,957)	(621,879)	(534,597)
Addition to the right-of-use assets during the year	613,789	1,213,550	613,789	1,214,213
Total cash outflow for leases	(634,751)	(538,292)	(660,804)	(564,345)
Expense relating to short-term leases	51,426	15,413	51,426	15,413
Expense relating to variable lease payments	21,661	34,560	192,916	209,188

17 Intangible assets

	Consolidated and Separate financial statements		
	Computer software	Royalties and licences	Total
At 1 January 2020			
Cost	754,447	802,047	1,556,494
Less: Accumulated amortisation	(599,255)	(776,065)	(1,375,320)
Net book amount	155,192	25,982	181,174
Year ended 31 December 2020			
Opening net book amount	155,192	25,982	181,174
Addition	17,923	-	17,923
Amortisation charge (Note 30)	(14,435)	(3,467)	(17,902)
Closing net book amount	158,680	22,515	181,195
At 31 December 2020			
Cost	772,371	802,047	1,574,418
Less: Accumulated amortisation	(613,691)	(779,532)	(1,393,223)
Net book amount	158,680	22,515	181,195

	Consolidated and Separate financial statements		
	Computer software	Royalties and licences	Total
Year ended 31 December 2021			
Opening net book amount	158,680	22,515	181,195
Addition	4,044	-	4,044
Reclassification	(15,666)	15,666	-
Amortisation charge (Note 30)	(13,421)	(4,263)	(17,684)
Impairment (Note 30)	-	(14,869)	(14,869)
Closing net book amount	133,637	19,049	152,686
At 31 December 2021			
Cost	759,144	819,318	1,578,462
Less: Accumulated amortisation	(625,507)	(800,269)	(1,425,776)
Net book amount	133,637	19,049	152,686

All amortisation charges are recorded in cost of sales, selling expenses and administrative expenses in the statement of comprehensive income based on the nature of the asset.

18 Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets:	2,583,048	3,799,175	2,473,231	3,688,156
Deferred tax liabilities:	(222,300)	(287,444)	(222,300)	(287,444)
Deferred tax asset (net)	2,360,748	3,511,731	2,250,931	3,400,712

Deferred income taxes are calculated on all temporary differences, under the liability method, using the statutory tax rates expected to apply in periods when the related deferred tax asset is realised or the deferred tax liability is settled.

The gross movement of the deferred income tax account is as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
At 1 January	3,511,731	1,500,999	3,400,712	1,388,763
Charged to profit or loss (Note 28)	(1,049,584)	2,048,900	(1,048,382)	2,050,117
Charged to other comprehensive income (Note 25)	(101,399)	(38,168)	(101,399)	(38,168)
At 31 December	2,360,748	3,511,731	2,250,931	3,400,712

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Consolidated financial statements			
	At 1 January 2020	(Charged)/Credited to profit or loss	Credited to other comprehensive income	At 31 December 2020
Deferred tax assets				
Provisions for employee benefits	803,135	14,731	(93,968)	723,898
Tax losses carried forward	929,291	2,014,684	-	2,943,975
Others	117,531	13,771	-	131,302
Deferred tax assets	1,849,957	2,043,186	(93,968)	3,799,175
Deferred tax liabilities				
Changes in fair value of financial assets measured at fair value through other comprehensive income	(262,800)	-	55,800	(207,000)
Depreciation	(86,158)	5,714	-	(80,444)
Deferred tax liabilities	(348,958)	5,714	55,800	(287,444)

	Consolidated financial statements			
	At 1 January 2021	(Charged)/Credited to profit or loss	Charged to other comprehensive income	At 31 December 2021
Deferred tax assets				
Depreciation	-	33,008	-	33,008
Provisions for employee benefits	723,898	19,564	(86,099)	657,363
Tax losses carried forward	2,943,975	(1,185,754)	-	1,758,221
Others	131,302	3,154	-	134,456
Deferred tax assets	3,799,175	(1,130,028)	(86,099)	2,583,048
Deferred tax liabilities				
Changes in fair value of financial assets measured at fair value through other comprehensive income	(207,000)	-	(15,300)	(222,300)
Depreciation	(80,444)	80,444	-	-
Deferred tax liabilities	(287,444)	80,444	(15,300)	(222,300)

Separate financial statements				
	At 1 January 2020	(Charged)/Credited to profit or loss	Credited to other comprehensive income	At 31 December 2020
Deferred tax assets				
Provisions for employee benefits	803,135	14,731	(93,968)	723,898
Tax losses carried forward	923,988	2,015,902	-	2,939,890
Others	10,598	13,770	-	24,368
Deferred tax assets	1,737,721	2,044,403	(93,968)	3,688,156
Deferred tax liabilities				
Changes in fair value of financial assets measured at fair value through other comprehensive income	(262,800)	-	55,800	(207,000)
Depreciation	(86,158)	5,714	-	(80,444)
Deferred tax liabilities	(348,958)	5,714	55,800	(287,444)

Separate financial statements				
	At 1 January 2021	(Charged)/Credited to profit or loss	Charged to other comprehensive income	At 31 December 2021
Deferred tax assets				
Depreciation	-	33,008	-	33,008
Provisions for employee benefits	723,898	19,564	(86,099)	657,363
Tax losses carried forward	2,939,890	(1,184,552)	-	1,755,338
Others	24,368	3,154	-	27,522
Deferred tax assets	3,688,156	(1,128,826)	(86,099)	2,473,231
Deferred tax liabilities				
Changes in fair value of financial assets measured at fair value through other comprehensive income	(207,000)	-	(15,300)	(222,300)
Depreciation	(80,444)	80,444	-	-
Deferred tax liabilities	(287,444)	80,444	(15,300)	(222,300)

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

19 Other non-current assets

	Consolidated and Separate financial statements	
	2021	2020
Contract assets	2,328,604	2,204,392
Income tax receivables	-	25,859
Other	26,025	22,571
	2,354,629	2,252,822

20 Borrowings from financial institutions

Current

Bank overdrafts	162	11,705
Short-term borrowings	7,400,000	5,570,000
Bills of exchange	499,820	499,801
Current portion of long-term bank borrowings	1,717,067	1,933,333
	9,617,049	8,014,839

Non-current

Bank borrowings	1,249,400	1,716,667
	10,866,449	9,731,506

Bank borrowings and other facilities detailed above are unsecured and bear interest at rates based on prevailing market rates. The interest rates in 2021 ranged between 1 % and 2 % per annum (2020: 1% to 2% per annum).

Short-term borrowings

Short-term borrowings comprised bank revolving facilities (overnight loans and promissory notes due within 3 months).

Long-term borrowings

The long-term bank loans consisted of the following:

- A 3-year loan of Baht 1,500 million which was obtained in December 2018 and is repayable in 12 quarterly installments commencing from March 2019 to December 2021. The loan bears interest at 1-month Bangkok Interbank Offered Rate (BIBOR) plus a margin. As at 31 December 2021, there is no outstanding loan balance.
- A 3-year loan of Baht 1,300 million which was obtained in June 2019 and is repayable in 12 quarterly installments commencing from September 2019 to June 2022. The loan bears interest at 3-month (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 217 million, which is payable in 2022.
- A 3-year loan of Baht 1,000 million which was obtained in November 2019 and is repayable in 12 quarterly installments commencing from February 2020 to November 2022. The loan bears interest at 1-month (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 333 million, which is payable in 2022.
- A 3-year loan of Baht 2,000 million which was obtained in June 2020 and is repayable in 12 quarterly installments commencing from October 2020 to June 2023. The loan bears interest at 1-month (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 1,167 million, of which Baht 667 million is payable in 2022.
- A 3-year loan of Baht 1,500 million which was obtained in July 2021 and is repayable in 12 quarterly installments commencing from September 2021 to June 2024. The loan bears interest at 1-month (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 1,250 million, of which Baht 500 million is payable in 2022.

The carrying amounts at each year end of short-term borrowings and long-term borrowings approximate to their fair values. All borrowings are denominated in Baht.

Maturity of long-term bank borrowings

	Consolidated and Separate financial statements	
	2021	2020
No later than 1 year	1,717,067	1,933,333
Later than 1 year and no later than 5 years	1,249,400	1,716,667
	2,966,467	3,650,000

21 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade accounts payable	3,112,423	2,540,173	3,111,954	2,539,612
Other tax payables	966,263	959,037	966,263	959,037
Contract liabilities	285,880	235,273	285,880	235,273
Other payables and accruals	752,740	717,468	752,712	717,613
	5,117,306	4,451,951	5,116,809	4,451,535

Other tax payable primarily represents excise tax payable generated as a result of normal operations.

22 Provisions for employee benefits

	Consolidated and Separate financial statements	
	2021	2020
Statement of financial position:		
Liability in the statement of financial position	3,312,557	3,671,797

The movement in the defined benefit obligation over the year is as follows:

	Consolidated and Separate financial statements	
	2021	2020
At 1 January	3,671,797	4,067,396
Service cost	144,942	182,538
Interest cost	103,631	103,601
	3,920,370	4,353,535
Remeasurements recognised in other comprehensive income (Note 25)		
Gain from change in financial assumptions	(350,844)	(573,418)
Experience (gain) loss	(77,203)	117,666
Transfer out	(2,450)	(14,086)
	(430,497)	(469,838)
Payment from plans:		
Benefits paid	(158,057)	(167,082)
Transfer out	(19,259)	(44,818)
At 31 December	3,312,557	3,671,797

Analysis of total provisions for employee benefits:

	Consolidated and Separate financial statements	
	2021	2020
- Current	872,943	872,389
- Non-current	2,439,614	2,799,408
At 31 December	3,312,557	3,671,797

The principal actuarial assumptions used for consolidated and separate financial statements were as follows:

	Impact on defined benefit obligation					
	Assumption		0.25 % Increase in assumption		0.25 % Decrease in assumption	
	2021	2020	2021	2020	2021	2020
Discount rate	3.00%	3.00%	Decrease by 1.44%	Decrease by 1.63%	Increase by 1.48%	Increase by 1.68%
Salary growth rate	5.00%	6.00%	Increase by 1.48%	Increase by 1.68%	Decrease by 1.45%	Decrease by 1.62%

The discount rate used is based on investment grade corporate bonds with tenure approximating the tenure of the employee benefit liability. The salary growth rate takes into account market factors such as projected market salary growth and incorporates assumptions relating to inflation rates.

The Group does not anticipate a change in expected rate of salary increase based on historical data.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through its defined benefit, the Group is exposed to a number of risks, the most significant of which are changes in bond yields. A decrease in Investment grade corporate bond yields will increase plan liabilities.

Expected maturity analysis of undiscounted employee benefits:

	Consolidated and Separate financial statements	
	2021	2020
- Less than a year	150,338	129,653
- Between 1-2 years	208,075	147,690
- Between 2-5 years	556,077	640,384
- Over 5 years	3,946,525	4,980,634
	4,861,015	5,898,361

23 Share capital and premium

	Issued and paid-up share capital			
	Number of shares (million)	Ordinary shares	Share premium	Total
At 1 January and 31 December 2021 and 2020	3,461	17,075,181	4,031,711	21,106,892

As at 31 December 2021 and 2020, the total authorised number of ordinary shares is 3,468 million shares with a par value of Baht 4.9338 per share. All issued shares are fully paid.

24 Legal reserve

	Consolidated and Separate financial statements	
	2021	2020
At 1 January	1,000,901	1,000,901
Appropriation during the year	-	-
At 31 December	1,000,901	1,000,901

Under the Public Limited Companies Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after taking into account any accumulated deficit brought forward until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

25 Other component of equity

The movement of other component of equity are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
At 1 January	325,289	172,619	332,534	179,864
Remeasurement of provisions for employee benefits (Note 22)	430,497	469,838	430,497	469,838
Changes in fair value of financial assets measured at fair value through other comprehensive income (Note 12)	76,500	(279,000)	76,500	(279,000)
Income tax relating to components of other comprehensive income (Note 18)	(101,399)	(38,168)	(101,399)	(38,168)
At 31 December	730,887	325,289	738,132	332,534

26 Revenue from sales and services

	Consolidated and Separate financial statements	
	2021	2020
Revenue from sales of goods	166,686,954	123,219,705
Revenue from sales of services	464,315	429,518
	167,151,269	123,649,223

27 Expenses by nature

The following expenditure items, classified by nature, have been charged in arriving at the operating profit.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net changes in inventories of finished goods	(2,694,632)	2,996,223	(2,694,632)	2,996,223
Raw materials and consumables used	159,105,090	122,373,790	159,105,090	122,373,790
Depreciation and amortisation (Notes 15, 16, 17)	2,825,226	2,585,562	2,850,866	2,611,202
Employee expenses	1,492,756	1,717,368	1,492,756	1,717,368

28 Income tax expense

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current tax:				
Current tax on profits for the year	(519)	4,527	(1,797)	3,277
Adjustments in respect to prior year	1,797	(3,226)	1,797	(3,277)
Total current tax	1,278	1,301	-	-
Deferred tax:				
Deferred tax for the year (Note 18)	1,049,584	(2,048,900)	1,048,382	(2,050,117)
Total deferred tax	1,049,584	(2,048,900)	1,048,382	(2,050,117)
Income tax expense (credit)	1,050,862	(2,047,599)	1,048,382	(2,050,117)

The tax on the Group's and Company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Group and the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit (Loss) before tax	5,494,792	(9,957,914)	5,527,232	(9,899,413)
Tax calculated at domestic tax rates	1,098,958	(1,991,583)	1,105,447	(1,979,883)
Tax effect of:				
Income not subject to tax	(43,713)	(69,702)	(52,682)	(83,920)
Expenses not deductible for tax purposes	1,418	27,416	1,418	27,416
Expenses more deductible for tax purposes	(5,801)	(13,730)	(5,801)	(13,730)
Income tax expense (credit)	1,050,862	(2,047,599)	1,048,382	(2,050,117)

29 Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Earnings (loss) attributable to equity holders of the parent	4,443,214	(7,911,074)	4,478,850	(7,849,296)
Weighted average number of ordinary shares in issue (million shares)	3,461	3,461	3,461	3,461
Basic earnings (loss) per share (Baht per share)	1.28	(2.29)	1.29	(2.27)

There are no potential ordinary shares in issue during the years presented and as such diluted earnings per share is not presented.

30 Cash flow information

30(a) Reconciliation of net profit (loss) to cash flows from operating activities:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit (loss) before income tax expense	5,494,792	(9,957,914)	5,527,232	(9,899,413)
Adjustments for:				
Depreciation (Note 15,16)	2,807,542	2,567,660	2,833,182	2,593,300
Amortisation (Note 17)	17,684	17,902	17,684	17,902
Loss allowance (Note 8)	(17,245)	(12,352)	(17,245)	(12,352)
Write-down of inventory to net realisable value	59,724	11,864	59,724	11,864
Impairment charge on non-financial assets (Note 15,17)	407,796	121,879	407,796	121,879
Loss on disposal of property, plant and equipment and intangible assets	6,573	33,756	9,194	33,756
Share of profit from an associate (Note 14)	(226,818)	(285,102)	-	-
Interest income	(3,152)	(2,970)	(186,104)	(187,763)
Finance costs	310,781	360,486	311,267	361,369
Dividend income	-	(45,900)	(272,393)	(403,215)
Net unrealised foreign exchange (gain) loss	(61,396)	21,042	(61,396)	21,042
Changes in working capital				
Trade receivables	(3,065,814)	1,391,767	(3,065,814)	1,391,767
Amount due from related parties	36,471	(36,486)	54,403	(54,417)
Inventories	(5,701,464)	5,929,070	(5,701,464)	5,929,070
Other receivables	(1,263,510)	(1,510,641)	(1,263,510)	(1,510,641)
Other current assets	(327,515)	2,631,106	(325,354)	2,681,047
Prepaid rental and deferred charges	115,940	92,982	234,751	266,938
Other non-current assets	(101,807)	(553,099)	(101,807)	(553,099)
Trade and other payables	520,893	(483,832)	520,813	(483,800)
Amount due to related parties	2,772,201	(227,642)	2,772,191	(237,898)
Income tax payables	2,415	-	-	-
Provisions for employee benefits	71,257	74,239	71,257	74,239
Other non-current liabilities	-	(1,840)	-	(1,840)
Cash generated from operations	1,855,348	135,975	1,824,407	159,735

In the cash flow statement, proceeds from sale of property, plant and equipment consist of:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book amount	46,210	47,048	26,103	47,048
Loss on disposal of property, plant and equipment	(6,573)	(33,756)	(9,194)	(33,756)
Proceeds from disposal of property, plant and equipment	39,637	13,292	16,909	13,292

30(b) Non-cash transactions of investing and financing activities:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Non-cash transactions				
Acquisition of property, plant, equipment	351,413	202,592	351,413	202,592
Acquisition of right-of-use assets	421,181	1,031,678	421,181	1,032,341

30(c) Change in liabilities arising from financing activities:

	Consolidated financial statements		
	Leases	Borrowings	Total
Liabilities as at 1 January 2020			
Cash flows	-	26,943,423	26,943,423
Other non-cash movement	(356,420)	1,184,745	828,325
	3,153,941	74,442	3,228,383
Liabilities as at 31 December 2020	2,797,521	28,202,610	31,000,131
Cash flows	(442,142)	783,037	340,895
Other non-cash movement	482,434	4,188	486,622
Liabilities as at 31 December 2021	2,837,813	28,989,835	31,827,648
Separate financial statements			
	Leases	Borrowings	Total
Liabilities as at 1 January 2020			
Cash flows	-	26,945,078	26,945,078
Other non-cash movement	(382,473)	1,185,267	802,794
	3,236,101	74,442	3,310,543
Liabilities as at 31 December 2020	2,853,628	28,204,787	31,058,415
Cash flows	(468,195)	782,969	314,774
Other non-cash movement	482,898	4,188	487,086
Liabilities as at 31 December 2021	2,868,331	28,991,944	31,860,275

31 Contingent liabilities

As at 31 December 2021, the Group had contingent liabilities in respect to bank guarantees arising in the ordinary course of business, amounting to Baht 187 million (2020: Baht 105 million) to third parties. It is not anticipated that any material liabilities will arise from these bank guarantees.

32 Commitments

Capital commitments

As at the statement of financial position date, the Group had capital commitments amounting to Baht 215 million (2020: Baht 987 million).

33 Financial risk management

The Group's activities expose it to a variety of financial risks, which include market risk (including market prices for petroleum commodities risk, foreign exchange risk and interest rate risk), credit risk, liquidity risk, and capital risk.

33.1 Market risk

(a) Market prices for petroleum commodities risk

The Group's financial results can be significantly affected from time to time by volatility and cyclical movement in the market prices for crude oil, petroleum, and petrochemical products. Given the large size and the long-term nature of its business, the Group expects that this risk will be moderated over time. The Group does not employ the use of derivative instruments to manage the risk.

(b) Foreign exchange risk

The Group's activities are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. Purchases of goods and export sales are primarily transacted in US Dollars. Domestic sales are transacted predominantly in Baht, and are thus not subject to foreign exchange risk.

As at 31 December 2021 and 2020, the Group had no short-term or long-term debt denominated in foreign currencies. In 2021, the Group did not enter into any forward foreign currency contracts. The Group's foreign exchange guidelines prohibit speculative foreign exchange transactions.

The sensitivity of profit or loss to changes in the exchange rates from financial assets and financial liabilities denominated in foreign currency is insignificant to the Group's and the Company's operating results.

(c) Interest rate risk

As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The interest rate risk arises from deposits and borrowings that are issued at variable interest rates exposing the Group to cash flow interest rate risk. The Group continually optimises the mix in its borrowing facilities to maximise financing flexibility while minimising financing cost.

The sensitivity of profit or loss to changes in the variable interest rates from bank deposits, loans to related parties, loans from related parties and borrowings from financial institutions is insignificant to the Group's and the Company's operating results.

33.2 Credit risk

a) Risk management

Credit risk is managed on a Group basis. Credit risk primarily arises from cash and cash equivalents, and credit exposures to commercial and retail customers, including outstanding receivables and committed transactions. Credit risk in respect to balances outstanding with related parties has been assessed to be low due to the overall strength of the ExxonMobil Group.

In the case of cash and cash equivalents, only independently rated banks with a minimum rating of at least BBB-, or equivalent, are accepted.

For trade customers, risk evaluations are performed internally which include reviews of financial position, business success indicators, past experience, and other factors. Individual risk limits are set based on the resulting internal ratings in accordance with limits set by management. Risk categories are established for individual customers based on internal credit guidelines ranging from very low to very high risk. The risk categories are intended to reflect the risk of payment default by a customer and are similar to the rating scales established by external rating agencies.

b) Impairment of financial assets

The Group's financial assets comprise cash and cash equivalents, trade receivables, amounts due from related parties, long-term loans to related parties and financial assets at fair value through other comprehensive income (FVOCI). These are subject to the expected credit loss model, which is done by applying the TFRS 9 as disclosed in Note 4.5(e). The result of the assessment shows that the identified impairment loss for the year was related to trade receivables only and the amount was immaterial.

33.3 Liquidity risk

The Group manages liquidity risk by maintaining a minimum operating level of cash and cash equivalent balances. In addition, the Group maintains committed credit facilities as well as a number of uncommitted credit facilities from banks and related parties. The Group reviews requirements for future cash flows through the completion of an annual finance plan. The finance plan is completed for the forthcoming year to ensure that estimates of future requirements are analysed such that appropriate facilities can be made available.

The Group currently has adequate financing sources. As at 31 December 2021, the Group has uncommitted facilities of Baht 75,005 million (2020: Baht 76,866 million). The Group has also received an approval from the Securities and Exchange Commission to offer Baht 12,000 million of bills of exchange in a revolving program, of which Baht 500 million has been utilised as of 31 December 2021.

Liquidity risk may also arise if customers are not able to settle obligations to the Group within the normal credit term. To manage this risk, the Group periodically assesses financial viability of customers and may require certain customers to provide bank guarantees or other similar instruments.

Maturity of financial liabilities

There are liabilities which the undiscounted cash flows due within 5 years approximate at their carrying balances because the impact of discounting is insignificant except for lease liabilities in the table below. Such liabilities are:

- Bank overdrafts and short-term borrowings from financial institutions
- Trade and other payables
- Amount due to related parties
- Current portion of long-term borrowings from financial institutions
- Current portion of long-term loans from related parties
- Short-term loans from related parties
- Long-term borrowings from financial institutions
- Long-term loans from related parties

The table below analyses the undiscounted cash flows of the Group's lease liabilities into relevant maturity groupings based on their contractual maturities as at 31 December 2021.

	Contractual maturities of financial liabilities					
	Consolidated financial statements			Separate financial statements		
	Within 1 year	1 - 5 years	Over 5 year	Within 1 year	1 - 5 years	Over 5 year
Lease liabilities	472	1,274	1,390	498	1,279	1,390

33.4 Capital risk

Risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders. In the future, the Group may adjust the amount of dividend paid to shareholders in order to maintain an appropriate capital structure. Annually, the Group completes a finance plan which seeks to establish positions for the current and future years' dividend projections.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with conditions specified in the loan agreements.

As at 31 December 2021, the Group has complied with such conditions.

34 Related party transactions

The Group is controlled by ExxonMobil Asia Holding Private Limited incorporated in Singapore, which owns 65.99% of the Company's shares as at 31 December 2021. The ultimate holding company is Exxon Mobil Corporation incorporated in the United States of America. A further 7.3% of the shares are held by Vayupak Fund 1, a mutual fund established by the Ministry of Finance, with the remaining shares held by a variety of institutional and retail investors.

The Vayupak Fund 1 acquired the shares from the Ministry of Finance on 15 September 2010. The significant investments in subsidiaries and an associate are set out in Note 14.

The following transactions were carried out with related parties:

(a) Sales of goods and services

	Consolidated and Separate financial statements	
	2021	2020
Sales of goods and services:		
- Other related parties	9,103,055	5,268,661
	9,103,055	5,268,661

Sales of goods and services between related parties are based on market prices and primarily relate to the sale of petroleum and petrochemical products.

(b) Purchases of goods and services

	Consolidated and Separate financial statements	
	2021	2020
Purchases of goods:		
- Other related parties	108,831,345	66,632,709
Purchases of services:		
- An associate	536,016	523,785
	109,367,361	67,156,494

Purchases of goods from related parties primarily relate to the purchase of crude oil, petroleum and petrochemical products. Purchases of services from an associate relate to the provision of pipeline transportation services for the Group's products. Purchases of goods and services are based on market prices.

(c) Expenses

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Expenses paid to:				
- Subsidiaries	-	-	196,198	202,175
- Other related parties	2,709,524	3,069,594	2,707,468	3,067,500
	2,709,524	3,069,594	2,903,666	3,269,675

Expenses primarily relate to the provision of support services and are charged on either a cost or cost plus basis.

(d) Finance costs, net

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest income received from:				
- Subsidiaries	-	-	182,953	184,794
	-	-	182,953	184,794
Interest expenses paid to:				
- Subsidiaries	-	-	486	883
- Other related parties	175,751	195,957	175,751	195,957
	175,751	195,957	176,237	196,840

Interest charges and interest income are based on market rates at the time the agreements were entered.

(e) Key management compensation

	Consolidated and Separate financial statements	
	2021	2020
Salaries and other short-term employment benefits	70,187	76,449
Post-employment benefits	15,904	21,328
	86,091	97,777

The above information is prepared in accordance with the Securities and Exchange Commission's regulations. This includes the managing director, the first four managers reporting to the managing director as well as all managers at the same level including Treasurer and Controller.

(f) Year-end balances arising from sales/purchases of goods/services and expenses

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Amounts due from:				
- Subsidiaries	-	-	46,999	63,496
- Other related parties	15	36,486	15	36,486
	15	36,486	47,014	99,982
Amounts due to:				
- Subsidiaries	-	-	3	4
- Other related parties	10,588,460	7,894,058	10,588,272	7,893,880
	10,588,460	7,894,058	10,588,275	7,893,884

Amounts due from related parties relate primarily to interest receivables on long-term loans (Note 34g).

The amounts due to related parties reflect a net payable which arises mainly from the purchase and sales of crude oil, petroleum and petrochemical products under standard industry terms.

(g) Loans to related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Long-term loans to:				
- Subsidiaries	-	-	3,553,483	3,443,943

Movements in long-term loans to related parties are analysed as follows:

	Separate financial statements	
	2021	2020
At 1 January	3,443,943	3,251,419
Loans advanced during the period	187,978	193,182
Loan repayments received	(78,438)	(658)
At 31 December	3,553,483	3,443,943

Long-term loans to related parties are unsecured. They bear interest based on the minimum lending rate of Bangkok Bank Public Company Limited.

(h) Loans from related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current				
Short-term loans from:				
- Subsidiaries	-	-	850	876
- Other related parties	11,423,386	10,621,104	11,423,386	10,621,104
	11,423,386	10,621,104	11,424,236	10,621,980
Current portion of long-term loans from:				
- Other related parties	3,950,000	3,233,333	3,950,000	3,233,333
	15,373,386	13,854,437	15,374,236	13,855,313
Non-current				
Long-term loans from:				
- Subsidiaries	-	-	1,259	1,301
- Other related parties	2,750,000	4,616,667	2,750,000	4,616,667
	2,750,000	4,616,667	2,751,259	4,617,968

Movements in loans from related parties are analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
At 1 January	18,471,104	17,171,712	18,473,281	17,173,367
Additional borrowings	6,139,484	10,417,652	6,143,750	10,421,864
Loans repaid during the period	(6,487,202)	(9,118,260)	(6,491,536)	(9,121,950)
At 31 December	18,123,386	18,471,104	18,125,495	18,473,281

Short-term loans from other related parties include:

- Revolving loan from a related party totalling Baht 7,930 million out of facility size Baht 12,000 million at the end of December 2021.
- Short-term loan from a related party under Loan and Current Account Agreement totalling Baht 3,493 million at the end of December 2021.

Short-term loans from related parties are unsecured. They have no fixed term of repayment and bear interest based on the adjusted minimum lending rate of Bangkok Bank Public Company Limited or Bangkok Interbank Offered Rate (BIBOR).

Long-term loans from other related parties include:

- A 3-year loan of Baht 700 million which was obtained in June 2019 and is repayable in 12 quarterly installments commencing from September 2019 to June 2022. The loan bears interest at 3-months (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 117 million, which is payable within 1 year.
- A 3-year loan of Baht 3,000 million which was obtained in November 2019 and is repayable in 12 quarterly installments commencing from February 2020 to November 2022. The loan bears interest at 1-month (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 1,000 million, which is payable within 1 year.
- A 3-year loan of Baht 6,000 million which was obtained in June 2020 and is repayable in 12 quarterly installments commencing from October 2020 to June 2023. The loan bears interest at 1-month (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 3,500 million, of which Baht 2,000 million is payable within 1 year.
- A 3-year loan of Baht 2,500 million which was obtained in July 2021 and is repayable in 12 quarterly installments commencing from September 2021 to June 2024. The loan bears interest at 1-month (BIBOR) rate plus a margin. As at 31 December 2021, the outstanding loan balance was Baht 2,083 million, of which Baht 833 million is payable within 1 year.

Long-term loans from related parties bear interest based on the adjusted minimum lending rate of Bangkok Bank Public Company Limited or Bangkok Interbank Offered Rate (BIBOR).

Maturity of long-term loans from related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
No later than 1 year	3,950,000	3,233,333	3,950,000	3,233,333
Later than 1 year but no later than 5 years	2,750,000	4,616,667	2,751,259	4,617,968
	6,700,000	7,850,000	6,701,259	7,851,301



Attachment

Board of Directors, Executives, Controlling Persons and Company's Secretary

(as of the date of Form 56-1 One Report Preparation)

Information of Directors, Executives, Controlling Persons and Company's Secretary



Directors



Mr. Adisak Jangkamolkulchai

Chairman
(Executive)

Age: 59

Re-appointment Date: July 10, 2020

Number of Years in the Board: 2 Year and 11 Months

Education:

- Bachelor of Science in Chemical Technology, Faculty of Science, Chulalongkorn University
- Master of Science in Chemical Engineering; University of Tulsa, USA
- Ph.D in Chemical Engineering, University of Tulsa, USA

Director Training:

- Director Accreditation Program (DAP) organized by Thai Institute of Association in 2008

Current Positions:

- Chairman and Managing Director, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: 6 companies

- Chairman, Managing Director and Asia Pacific Operations Manager, ExxonMobil Limited
- Chairman and Managing Director, Mobil Enterprises (Thailand) Limited
- Director, ExxonMobil Exploration and Production Khorat Inc.
- Director, Exxon Limited
- Director, ExxonMobil Hong Kong Holding Limited
- Director, ExxonMobil East Terminal Hong Kong Limited

Position in other business or organization: -

Experience in the past 5 years:

August 2020 - Present	Chairman and Managing Director, Esso (Thailand) Public Company Limited Chairman, Managing Director and Asia Pacific Operations Manager, ExxonMobil Limited
February 2020 - July 2020	Chairman and Managing Director, Esso (Thailand) Public Company Limited Chairman and Managing Director, Chairman and Managing Director, Esso (Thailand) Public Company Limited
August 2019 - January 2020	Executive Director Thailand Major Growth Venture, ExxonMobil Limited
2017 - August 2019	Engineering Manager for Europe / Middle east / Asia Pacific, ExxonMobil Engineering Europe Limited
2013 - 2017	Refinery Manager, Esso (Thailand) Public Company Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None

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Mr. Wattana Chantarasorn

Independent Director and Chairman of the Audit Committee
(Non-executive)

Age: 75

Re-appointment Date: April 27, 2021

Number of Years in the Board: 14 Years and 2 Months⁽¹⁾

Education:

- Bachelor of Science, Chemical Engineering, Chulalongkorn University
- M.Sc in Chemical Engineering, Illinois Institute of Technology, USA

Director Training:

- Advanced Audit Committee Program organized by Thai Institute of Directors Association in 2018
- Director Accreditation Program organized by Thai Institute of Directors Association in 2009

Current Positions: -

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: -

Position in other business or organization: -

Experience:

2006 - 2007	Asia Pacific Refining Business Advisor, ExxonMobil Limited
2004 - 2006	Asia Pacific Refining Business Advisor, Esso (Thailand) Public Company Limited
1997 - 2004	Refinery Manager, Esso (Thailand) Public Company Limited

Records of violation of law¹: None

Family Relationship with Executives of the Company: None

Shareholding in the Company²: None

⁽¹⁾ Number of years serving as the Independent Director: 7 Years and 6 Months



Mr. Buranawong Sowapruex

Independent Director, Chairman of Nomination, Remuneration and Performance Evaluation Committee and Member of Audit Committee
(Non-executive)

Age: 64

Re-appointment Date: April 23, 2019

Number of Years in the Board: 2 Years 8 Months

Education:

- Bachelor of Engineering, Mechanical Engineering, Chulalongkorn University
- Master of Engineering, Industrial Engineering, Texas A&M University, Texas, USA
- Doctor of Engineering, Industrial Engineering, Texas A&M University, Texas, USA

Director Training:

- Director Certification Program (DCP) organized by Thai Institute of Association in June 2019
- Advance Audit Committee Program (AACP) organized by Thai Institute of Association in 2019
- Director Leadership Certification Program (DLCP) organized by Thai Institute of Association in 2021

Current Positions: -

Directorship in other listed company and other non-listed company:

Other listed company: 1 company

- Independent Director, Thai Group Holdings Public Company Limited

Other non-listed companies: 2 companies

- Independent Director, The Blue Circle Pte. Ltd, Singapore
- Director, Able Asset Sukhumvit Company Limited

Position in other business or organization:

- Independent Observer, Anti-Corruption Organization of Thailand

Experience:

2015 - February 2019	Member, Petroleum Committee
2016 - 2017	Sub-Committee on the Management of Expiring Concession
2016 - February 2019	Sub-Committee on the Determination of Gas Price
2009 - 2013	Global Business Analysis and Reporting Manager, ExxonMobil Global Services Company, Houston, USA

Records of violation of law^{*}: None

Family Relationship with Executives of the Company: None

Shareholding in the Company^{}:** None



Ms. Prachit Hawat

Independent Director, Member of Audit Committee and Member of Nomination, Remuneration and Performance Evaluation Committee
(Non-executive)

Age: 63

Re-appointment Date: April 23, 2019

Number of Years in the Board: 4 Years and 1 Month

Education:

- Bachelor of Accountancy, Faculty of Commerce and Accountancy, Chulalongkorn University
- MSBA, Management Information Systems, Mississippi State University, USA
- M. Acc., Accounting, Chulalongkorn University
- Ph.D. Management Information Systems, The University of Calgary, Canada

Professional Certifications:

- Certified Internal Audit (CIA)
- Certified Public Accountant (CPA, Thailand)
- SAP Certified Consultant - Financial Accounting Module

Director Training:

- Director Certification Program organized by Thai Institute of Directors Association in 2018
- Director Accreditation Program organized by Thai Institute of Directors Association in 2011

Current Positions: -

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: -

Position in other business or organization: -

- Associate Professor, Department of Accountancy, Faculty of Commerce and Accountancy, Chulalongkorn University
- Advisor to the Internal Audit Procedure Efficiency and Effectiveness Promotion Committee, Sports Authority of Thailand
- Advisor to the Internal Control Operation Committee, Thai Health Promotion Foundation
- Member of the University Council of Kasem Bundit University
- Member of the Risk Management Committee of Mahamakut Buddhist University

Experience:

- Lecturer, Department of Accountancy, Chulalongkorn University
- Independent Director and Member of Audit Committee, Thailand Iron Works Public Company Limited
- Senior Internal Auditor, Charoen Pokphand Group of Companies
- Auditor, Jaiyos & Co., Ltd

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None



Mr. Boontuck Wungcharoen

Independent Director
(Non-executive)

Age: 65

Re-appointment Date: April 23, 2019

Number of Years in the Board: 3 years and 3 months⁽¹⁾

Education:

- Bachelor's Engineering, Chemical Engineering, Chulalongkorn University
- MBA, Finance and International Business, New York University, USA

Director Training:

- Director Accreditation Program (DAP) organized by Thai Institute of Association in 2008

Current Positions: -

Directorship in other listed company and other non-listed company:

Other listed company: 3 companies

- Vice Chairman, Vice Chairman of the Executive Committee, Chairman of the Risk Management Committee and The Nomination and Remuneration Committee, Asset World Corp Public Company Limited
- Independent Director, SYNEX (Thailand) Public Company Limited
- Vice Chairman, Thai Group Holdings Public Company Limited

Other non-listed companies: 1 company

- Chairman, Independent Director, Betagro Public Company Limited

Position in other business or organization: -

Experience:

- | | |
|-------------|--|
| 2017 - 2019 | Independent Director, Member of the Risk Oversight Committee and Member of Technology Committee, Siam Commercial Bank Public Company Limited |
| 2008 - 2017 | Director and Chief Executive Officer, TMB Bank Public Company Limited |

Records of violation of law¹: None

Family Relationship with Executives of the Company: None

Shareholding in the Company²: None

⁽¹⁾ Number of years serving as the Independent Director: 2 Year 8 Months



Mr. Pornchai Thiraveja

Independent Director
(Non-executive)

Age: 54

Appointment Date: February 24, 2022

Number of Years on the Board: 1 Month

Education:

- Bachelor of Accounting Program (Accounting), Thammasat University
- Master of Political Science (Public Administration), Thammasat University
- Master of Business Administration (Finance), Notre Dame College, USA
- Doctor of Management (Public Management), Rajabhat Suan Dusit University
- Doctor of Philosophy (Non-Formal Education), Chulalongkorn University

Director Training:

- Director Certification Program (DCP) organized by Thai Institute of Association in 2016
- Boards that Make a Difference (BMD) organized by Thai Institute of Association in 2019 and 2020
- Advance Audit Committee Program (AACP) organized by Thai Institute of Association in 2021

Current Positions: -

Directorship in other listed company and other non-listed company:

Other listed company: None

Other non-listed companies: 1 company

- Director, Aeronautical Radio of Thailand Ltd

Position in other business or organization:

- Director and Member of Audit Committee, Electricity Generating Authority of Thailand

Experience:

Present	Director General, Fiscal Policy Office, Ministry of Finance
2021	Deputy Permanent Secretary, Ministry of Finance
2016 - 2021	Financial Policy Advisor, Fiscal Policy Office, Ministry of Finance

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None



Ms. Ratrimani Pasiphol

Director and Designated CFO
(Executive)

Age: 54

Re-appointment Date: April 27, 2021

Number of Years in the Board: 9 Years and 10 Months

Education:

- Bachelor of Accountancy, Chulalongkorn University
- MBA, University of Washington, USA

Director Training:

- Director Accreditation Program (DAP) organized by Thai Institute of Association in 2012

CFO Training:

- TLCA CFO Profession Development Program organized by Thai Listed Companies Association

Current Positions:

- Business Services Manager and Tax Manager, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: 1 company

- Director, ExxonMobil Limited

Position in other business or organization: -

Experience in the past 5 years:

February 2020 - Present	Business Services Manager and Tax Manager, Esso (Thailand) Public Company Limited
2015 - January 2020	Treasurer / Tax Manager, Esso (Thailand) Public Company Limited Director and Treasurer / Tax Manager, ExxonMobil Limited Treasurer, Industry Promotion Enterprises Limited Treasurer, United Industry Development Company Limited Treasurer, Pacesetter Enterprises Limited Treasurer, Thai C-Center Company Limited ⁽¹⁾ Treasurer, ExxonMobil Exploration and Production Khorat Inc. Treasurer, Mobil Enterprises (Thailand) Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** 0.0003% (Held by herself)

⁽¹⁾ Until year 2016



Mr. Suchart Phowatthanasathian

Director
(Executive)

Age: 50

Re-appointment Date: April 23, 2019

Number of Years in the Board: 4 Years and 8 Months

Education:

- Bachelor of Science in Chemical Technology, Faculty of Science, Chulalongkorn University
- Master of Science in Chemical Engineering; The Petroleum and Petrochemical College, Chulalongkorn University

Director Training:

- Director Accreditation Program (DAP) organized by Thai Institute of Association in 2018

Current Positions:

- Refinery Manager, Sriracha Refinery, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: -

Position in other business or organization: -

Experience in the past 5 years:

2017 - Present	Refinery Manager, Sriracha Refinery, Esso (Thailand) Public Company Limited
2016 - 2017	Process Manager, Sriracha Refinery, Esso (Thailand) Public Company Limited
2013 - 2016	Technical Manager, Singapore Refinery, ExxonMobil Asia Pacific Pte. Ltd.

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None



Mr. Manoch Munjitjuntra

Director
(Executive)

Age: 53

Re-appointment Date: April 27, 2021

Number of Years in the Board: 4 Years and 1 Month

Education:

- Bachelor of Science, Mechanical Engineer, Faculty of Engineering, Chulalongkorn University
- MBA in Finance, Sasin Graduate Institute of Business Administration of Chulalongkorn University

Director Training:

- Director Accreditation Program (DAP) organized by Thai Institute of Association in 2018

Current Positions:

- Thailand Lubricants Sales Manager, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: 1 company

- Director, Mobil Enterprises (Thailand) Limited

Position in other business or organization: -

Experience in the past 5 years:

August 2020 - Present	Thailand Lubricants Sales Manager, Esso (Thailand) Public Company Limited Director, Mobil Enterprises (Thailand) Limited
2017 - July 2020	Retail Sales Manager, Esso (Thailand) Public Company Limited Director and Managing Director, Industry Promotion Enterprises Limited Director and Managing Director, United Industry Development Company Limited Director and Managing Director, Pacesetter Enterprises Limited
2016 - 2017	Sales Support and Business Development Manager, Esso (Thailand) Public Company Limited
2015 - 2016	Retail Project Development Manager, ExxonMobil Asia Pacific Pte Ltd

Records of violation of law¹: None

Family Relationship with Executives of the Company: None

Shareholding in the Company²: None



Mr. Taweesak Bunluesin

Director and Member of Nomination,
Remuneration and Performance Evaluation Committee
(Non-Executive)

Age: 53

Re-appointment Date: July 10, 2020

Number of Years in the Board: 3 Years and 6 Months

Education:

- Bachelor of Science, Chemical Engineering, Massachusetts Institute of Technology, USA
- Master of Science, Chemical Engineering, University of Pennsylvania, USA
- Ph.D. Chemical Engineering, University of Pennsylvania, USA

Director Training:

- Director Accreditation Program (DAP) organized by Thai Institute of Association in 2018

Current Positions:

- Public & Government Affairs Manager, ExxonMobil Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: -

Position in other business or organization: -

Experience in the past 5 years:

2019 - 2020	Public & Government Affairs Manager, ExxonMobil Limited
2018 - 2019	Public & Government Affairs Manager, Esso (Thailand) Public Company Limited
2013 - 2018	Business Support & Control Manager, Sriracha Refinery, Esso (Thailand) Public Company Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None



Mr. Jesada Chanherngkij

Director
(Executive)

Age: 48

Appointment Date: September 3, 2020

Number of Years in the Board: 1 Year 3 Months

Education:

- Bachelor of Mechanical Engineer (1st class honours), Kasetsart University
- Master of Business Administration, Thammasat University

Director Training:

- Director Accreditation Program (DAP) organized by Thai Institute of Association in 2021

Current Positions:

- Retail Sales Manager, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: 3 companies

- Director and Managing Director, Industry Promotion Enterprises Limited
- Director and Managing Director, United Industry Development Company Limited
- Director and Managing Director, Pacesetter Enterprises Limited

Position in other business or organization: -

Experience in the past 5 years:

August 2020 - Present	Retail Sales Manager, Esso (Thailand) Public Company Limited Director and Managing Director, Industry Promotion Enterprises Limited Director and Managing Director, United Industry Development Company Limited Director and Managing Director, Pacesetter Enterprises Limited
2018 - July 2020	Revenue Management Lead, Thailand and Greater Mekong Tributary Esso (Thailand) Public Company Limited
2015 - 2018	Asia Pacific Marketing Communication Manager, ExxonMobil Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None

* This covers any of the following within the past 10 years:

- (1) a conviction under a criminal charge, excluding conviction for traffic offences and minor charges;
- (2) being declared bankrupt or having assets controlled;
- (3) being dismissed from government service or a state organization or agency for dishonest at work; or
- (4) a conviction of offences under the Securities and Exchange Act B.E. 2535 or Derivatives Act B.E. 2546 for the following offences:
 - (4.1) willful misconduct or gross negligence characteristic;
 - (4.2) disclose or disseminate of false statement or information or conceals material facts that should have been disclosed which have an impact on decision making on investment; or
 - (4.3) unfair trading or taking advantage of other investors in securities or derivatives trading

** As of December 31, 2021

Executive Officers



Mr. Vanchai Vichakchon

Thailand Commercial Sales Manager
(Executive)

Age: 53

Appointment Date: June 1, 2017

Education:

- Bachelor Degree, Business Administration Faculty, Marketing Major, Assumption University

Current Positions:

- Thailand Commercial Sales Manager, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: -

Position in other business or organization: -

Experience in the past 5 years:

2017 - Present	Thailand Commercial sales Manager, Esso (Thailand) Public Company Limited
2017	Thailand Wholesale Fuels Area Manager, Esso (Thailand) Public Company Limited
2012 - 2017	Thailand Industrial and Commercial Area Manager, Esso (Thailand) Public Company Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None



Mr. Chatchawarn Hongcharoenthai

Thailand Fuels Operations Manager
(Executive)

Age: 42

Appointment Date: November 1, 2021

Education:

- Bachelor's degree, Chemical Engineering, Thammasat University
- Master's degree, Master of Management, Chulalongkorn University

Current Positions:

- Thailand Fuels Operations Manager, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: 1 company

- Director, Thai Petroleum Pipeline Company Limited

Position in other business or organization: -

Experience in the past 5 years:

November 2021 - Present	Thailand Fuels Operations Manager, Esso (Thailand) Public Company Limited
2019 - 2021	Vice President/ ExxonMobil Exploration and Production Khorat Inc.
2017 - 2019	Business Venture Manager/ ExxonMobil Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None



Ms. Vorraya Kosalathip

Treasurer
(Executive)

Age: 44

Appointment Date: February 4, 2020

Education:

- Bachelor of Engineering (Civil), Chiang Mai University
- Master of Business Administration, University of North Carolina at Chapel Hill, USA

Current Positions:

- Treasurer, Esso (Thailand) Public Company Limited
- Treasurer, Industry Promotion Enterprises Limited
- Treasurer, United Industry Development Company Limited
- Treasurer, Pacesetter Enterprises Limited
- Treasurer, ExxonMobil Exploration and Production Khorat Inc.
- Treasurer, Mobil Enterprises (Thailand) Limited
- Director, Treasurer, and AP Credit Manager, ExxonMobil Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies:

- Director, ExxonMobil Limited

Position in other business or organization: -

Experience in the past 5 years:

February 2020 - Present	Treasurer, Esso (Thailand) Public Company Limited Treasurer, Industry Promotion Enterprises Limited Treasurer, United Industry Development Company Limited Treasurer, Pacesetter Enterprises Limited Treasurer, ExxonMobil Exploration and Production Khorat Inc. Treasurer, Mobil Enterprises (Thailand) Limited Director, Treasurer, and Asia Pacific Credit Manager, ExxonMobil Limited ⁽¹⁾
2018 - January 2020	Lead Fuels and Lubricant Treasurer - Asia Pacific, ExxonMobil Asia Pacific Pte. Ltd.
2016 - 2017	Financial Advisor, Global Fuels and Lubricant Treasurer, Exxon Mobil Corporation
2015 - 2016	Downstream Financial Advisor, Controller's, Exxon Mobil Corporation

Records of violation of law¹: None

Family Relationship with Executives of the Company: None

Shareholding in the Company²: None

⁽¹⁾ Appointed as Treasurer's effective February 2020 and additionally appointed as Director and AP Credit Manager effective November 2021



Mr. Suwat Srikanapongse

Controller
(Executive)

Age: 53

Appointment Date: October 1, 2020

Education:

- Bachelor of Business Administration, Accounting Major, Assumption University
- Master of Business Administration, Eastern Michigan University, USA

Current Positions:

- Controller, Esso (Thailand) Public Company Limited
- Controller, Industry Promotion Enterprises Limited
- Controller, United Industry Development Company Limited
- Controller, Pacesetter Enterprises Limited
- Controller, ExxonMobil Exploration and Production Khorat Inc.
- Controller, Mobil Enterprises (Thailand) Limited
- Director and Controller, ExxonMobil Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies:

- Director, ExxonMobil Limited

Position in other business or organization: -

Experience in the past 5 years:

October 2020 - Present	Controller, Esso (Thailand) Public Company Limited Controller, Industry Promotion Enterprises Limited Controller, United Industry Development Company Limited Controller, Pacesetter Enterprises Limited Controller, ExxonMobil Exploration and Production Khorat Inc. Controller, Mobil Enterprises (Thailand) Limited Director and Controller, ExxonMobil Limited
2018 - September 2020	Credit Manager, ExxonMobil Limited
2014 - 2018	Tax BSC Section Manager, ExxonMobil Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None



Ms. Matana Sutatham

Investor Relations and Planning Manager
(Executive)

Age: 52

Appointment Date: August 1, 2021

Education:

- Bachelor of Science in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University
- Master of Business Administration, Sloan School of Management, Massachusetts Institute of Technology

Current Positions:

- Investor Relations and Planning Manager, Esso (Thailand) Public Company Limited

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: -

Position in other business or organization: -

Experience in the past 5 years:

August 2021 - Present	Investor Relations and Planning Manager, Esso (Thailand) Public Company Limited
2018 - 2021	BAR FVC RBU Support Manager, ExxonMobil Limited
2016 - 2018	BAR Fuels and Lubes Stewardship and Analysis Manager, ExxonMobil Limited

Records of violation of law*: None

Family Relationship with Executives of the Company: None

Shareholding in the Company:** None

* This covers any of the following within the past 10 years:

- (1) a conviction under a criminal charge, excluding conviction for traffic offences and minor charges;
- (2) being declared bankrupt or having assets controlled;
- (3) being dismissed from government service or a state organization or agency for dishonest at work; or
- (4) a conviction of offences under the Securities and Exchange Act B.E. 2535 or Derivatives Act B.E. 2546 for the following offences:
 - (4.1) willful misconduct or gross negligence characteristic;
 - (4.2) disclose or disseminate of false statement or information or conceals material facts that should have been disclosed which have an impact on decision making on investment; or
 - (4.3) unfair trading or taking advantage of other investors in securities or derivatives trading

** As of December 31, 2021

Details of Head of Internal Audit, Person assigned to take direct responsibilities for accounting oversight and Company Secretary

Person assigned to take direct responsibilities for accounting oversight

Mr. Amorn Manchanda

Age: 37

Appointment Date: December 1, 2020

Qualified accountant pursuant to the relevant Notification of Department of Business Development,

Education:

- Master of Business Administration (MBA), Chulalongkorn University
- Bachelor of Accountancy, Srinakharinwirot University

Accountancy Training in 2021:

- Training on DBD e-Learning for Accounting Information System 1
- Training on DBD e-Learning for Related Accounting Standards for Property, Plant and Equipment

Experience in the past 5 years:

2020 - Present: In-Country Controller Supervisor , ExxonMobil Limited
 2018 - 2020: General Accounting Supervisor - ExxonMobil Limited
 2016 - 2018: HR Accounting Supervisor - ExxonMobil Limited

Position in other business or organization: -

Family Relationship with Executives of the Company: None

Shareholding in the Company*: None

Company Secretary

Ms. Angsna Pirentorn

Age: 45

Appointment Date: March 28, 2008

Education:

- Master of Laws in International Legal Studies, Washington College of Law, The American University, Washington D.C. USA
- Bachelor of Laws, Thammasat University

Experience in the past 5 years:

2015 - Present: Company Secretary, Esso (Thailand) Public Company Limited
 Senior Legal Counsel, ExxonMobil Limited

Company Secretary in 2021: None

Position in other business or organization: -

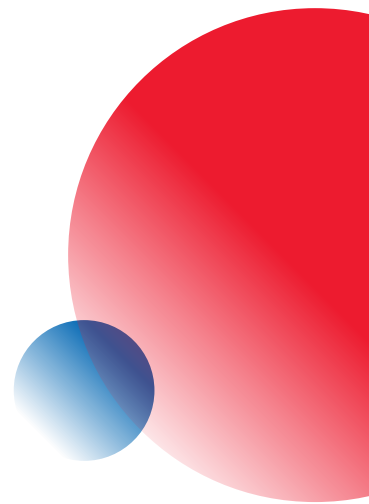
Family Relationship with Executives of the Company: None

Shareholding in the Company*: 0.0003% (Held by spouse)

* As of December 31, 2021

Director of Subsidiaries

- None -



Lead Auditor Information

Mr. Kriengkrai Srisawat

Lead Internal Auditor

Age: 55

Appointment Date: December 1, 2018

Education:

- Bachelor of Arts in Public Administration, Faculty of Political Science, Chulalongkorn University
- Master of Business Administration, Sasun Graduate Institute of Business Administration of Chulalongkorn University

Current Position:

- Lead Internal Auditor, ExxonMobil Limited

Related Training:

- ACFE Fraud Conference Asia Pacific 2021, Association of Certified Fraud Examiners

Directorship in other listed company and other non-listed company:

Other listed company: -

Other non-listed companies: -

Experience in the past 5 years:

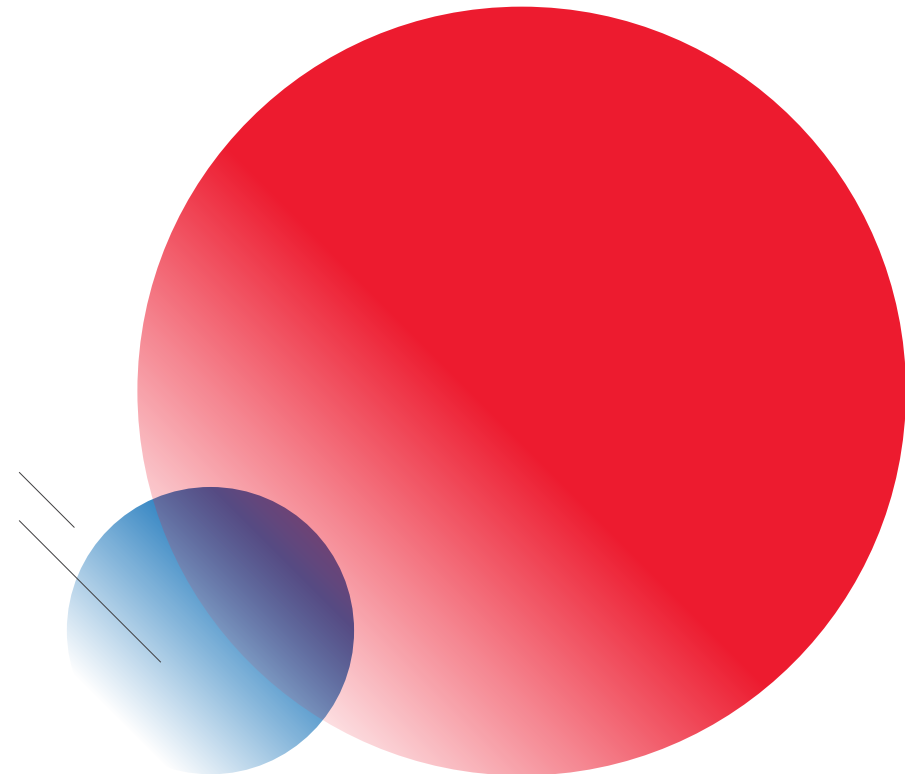
2018 – Present	Lead Internal Auditor, ExxonMobil Limited
2018	Business Venture Manager, ExxonMobil Limited
2017 – 2018	Project Manager, ExxonMobil Limited

Position in other business or organization: -

Family Relationship with Executives of the Company: None

Shareholding in the Company: None

* As of December 31, 2021



Operating Assets and Asset Appraisal

Fixed Assets

As of December 31, 2021, the net asset value of the Company and subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Assets	Net asset value after deducting depreciation and amortization as of Dec 31, 2021
Land	4,946
Building, Plant, and Equipment	17,042
Construction in progress	1,718
Total net tangible asset value	23,706

As at 31 December 2021, the cost of fully-depreciated property, plant and equipment of the Company, that were still in use amounted to Baht 20,060 million and Baht 19,733 million, respectively (2020: Baht 14,793 million and Baht 14,466 million).

Net asset breakdown by business segment as of December 31, 2021 is as follows:

Unit: Million Baht

Assets	Net asset value after deducting depreciation and amortization as of Dec 31, 2021
Downstream	23,457
Petrochemical	249
Total net tangible asset value	23,706

There are no Esso assets pledged as collateral.

Insurance

Our significant insurance policies include property all risks, third party liability and marine cargo insurance. Substantially all of our insurance policies are insured by Bangkok Insurance Public Company Limited. We do not carry business interruption insurance. We review our insurance coverage periodically to determine whether our perceived risks are adequately covered.

Under our property all risks insurance policy, we are insured against loss or damage to certain significant properties including production facilities, certain distribution terminals, inventory, certain office buildings, equipment, and major systems in the amount of US\$570 million per occurrence.

Our third party liability policy covers our legal and contractual liabilities to other parties arising out of personal injury or death, property damage, and advertising in the amount of US\$150 million for general annual aggregate third party liability and US\$1,000 million for aviation related annual aggregate liability. Our marine open cargo insurance covers loss or damage during loading and transportation of products by air, sea and land, in the amount not to exceed US\$110 million for one vessel or one cargo trip.

Except for the legal liability insurance policy for the operation of Category 3 Controlled Activities under Fuel Oils Control laws, all of the above insurance policies are subject to deductibles. Some of our insurance coverages do not extend to war or acts of terrorism, among other exclusions.

Intangible Assets

As of December 31, 2021, the net intangible asset value of the Company and subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Intangible assets	Net asset value after deducting amortization as of Dec 31, 2021
Royalties and Licenses	19
Computer software	134
Total net intangible asset value	153



In addition to the above Royalties and Licenses and Computer software, the Company also has other intangible assets and other rights as of December 31, 2021 as listed below:

Long term lease agreement

The Company leases land under long term lease agreements with subsidiaries including Industry Promotion Enterprises Limited (IPEL), United Industry Development Company Limited (UIDC) and Pacesetter Enterprises Limited (PSE). The Company is eligible to make use of land with an approximate area 526,673.6 sqm for our service stations and approximately 205,000 sqm for our distribution terminals.

Under the lease agreements, United Industry Development Company Limited (UIDC) and Pacesetter Enterprises Limited (PSE) agree to lease land to the company for an approximate 30 year period. Rental fees are set as cost plus basis were set in each lease agreement.

For the lease agreement with Industry Promotion Enterprises Limited (IPEL), rental periods are different in each agreement. The Company has the right to extend the lease period when the agreement expires. Rental fees are paid on an annual basis.

As of December 31, 2021, the net land value of the Company and subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Land (by company)	Net land value as of Dec 31, 2021
The Company	690
Industry Promotion Enterprises Limited (IPEL)	8
United Industry Development Company Limited (UIDC)	3,041
Pacesetter Enterprises Limited (PSE)	1,207
Total land value	4,946

Right-of-use assets

As of December 31, 2021, the net right-of-use asset of the Company and Subsidiaries as shown in the financial statements is as follows:

Unit: Million Baht

Right-of-use assets	Net value as of Dec 31, 2021
Properties	3,871
Motor Vehicles	341
Equipment	93
Total Right-of-use assets value	4,305

BOI privilege

The Company received two investment incentive certificates for business operations from the Board of Investment (BOI) in accordance with Board of Investment criteria by virtue of the Investment Incentive Act B.E. 2520 as follows:

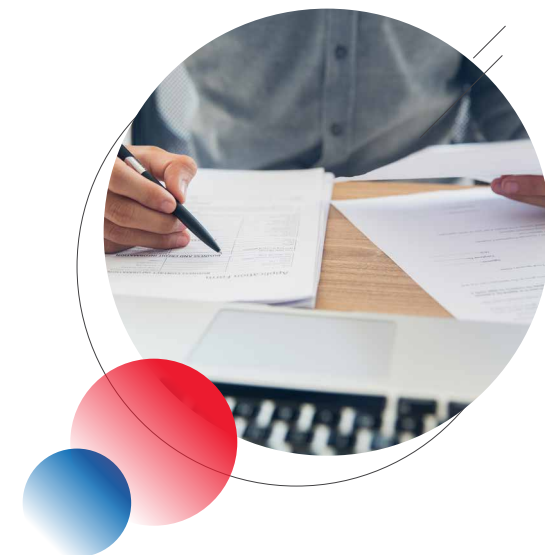
- (1) Petroleum product production on July 16, 1992, with a refining unit of approximately 82 KBD. Rights and benefits received by the Company from the Board of Investment (BOI) for the promoted business are in accordance with conditions stipulated in the investment incentive certificate

In 2020, Company received additional privileges under the above incentive certificate for import of machinery used to improve fuel quality for Euro 5 specification from December 27, 2019 to October 31, 2023, with the condition that the fuel quality improvement project must be completed by December 31, 2023.

- (2) Paraxylene production in the category of petroleum chemical products production in Thailand on January 16, 1998 with respect to the construction of an aromatics plant adjacent to the Company's Sriracha refinery. The plant had paraxylene production capacity of approximately 350,000 tons per annum. The Company was allowed to expand the plant capacity to 420,000 and 540,000 tons per annum on June 15, 2001 and July 23, 2003, respectively.

Asset Appraisal

The Company has no Asset Appraisal in 2021.



Corporate Governance Policy and Practices, Standard of Business of Business Conduct, Duties and Responsibilities of Board of Directors and Sub-Committees

Details are available at links below.

Corporate Governance
Policy and Practices

CLICK



Board Governance
Guidelines

CLICK



Standards of
Business Conduct

CLICK



Duties and Responsibilities
of Board of Directors
and Sub-Committees

CLICK



Corporate Separateness Notice

Nothing in this material is intended to override the corporate separateness of local entities. Working relationships discussed in this material do not necessarily represent a reporting connection, but may reflect a functional guidance, stewardship, or service relationship. Where shareholder consideration of a local entity matter is contemplated by this material, responsibility for action remains with the local entity.

Esso (Thailand) Public Company Limited has numerous affiliates, many with names that include ExxonMobil, Exxon, Esso and Mobil. For convenience and simplicity in this report, those terms and terms like corporation, company, our, we, and its are sometimes used as abbreviated references to specific affiliates or affiliate groups. Abbreviated references describing global or regional operational organizations and global or regional business lines are also sometimes used for convenience and simplicity. Similarly, Esso (Thailand) Public Company Limited has business relationships with thousands of customers, suppliers, governments, and others. For convenience and simplicity, words like venture, joint venture, partnership, co-venturer, and partner are used to indicate business relationships involving common activities and interests, and those words may not indicate precise legal relationships.





Esso (Thailand) Public Company Limited

3195/17-29 Rama 4 Road, Klong Ton

Klong Toey District, Bangkok 10110



Tel. +66 02 407 4000



www.esso.co.th