

Report of the Corporate Governance Committee

Dear Shareholders,

In 2020, the Corporate Governance Committee comprised its Chairman, namely Professor Somkit Lertpaithoon and its Committee members, namely Major General Nithi Chungcharoen, Mrs. Watanan Petersik, and Mr. Chansin Treenuchagron. The Committee performed its duties as stipulated by the Corporate Governance Committee Charter and executed tasks as assigned by the Board of Directors. The Committee held a total of six meetings. A summary of its activities is given below.

1. Ensuring Compliance with Requirements, Laws, Rules, Regulations, and Best Practices

- Overseeing the operation of GC and its subsidiaries to ensure corporate compliance. In 2020, the Corporate Governance Committee supported the establishment of Compliance Universe, a compilation of relevant laws that 1st line operators could use to inform compliance risk assessment and compliance operations in companies in GC Group, both domestic and abroad.
- Overseeing and monitoring GC's corporate governance to ensure compliance with international standards and criteria set forth by domestic regulatory agencies.
 - Overseeing the preparation of the 2020 Annual General Meeting of Shareholders (AGM) during the COVID-19 pandemic to ensure compliance with announcements, orders, and measures issued by the government, applicable laws, corporate governance principles, and best practices. To this end, GC received a perfect assessment score of 100 on the 2020 AGM checklist, with a rating of Excellence, for the ninth consecutive year from the Thai Investors Association (TIA).
 - Reviewing and providing guidelines for establishing criteria to ensure that minority shareholders were given more than three months in advance of the 2021 AGM to propose agenda items and nominate director candidates, from September 16 to December 31, 2020
 - Reviewing the suitability of the adoption of the Corporate Governance Code for Listed Companies 2017 (CG Code), providing comments and suggestions to the Board of Directors to improve and develop their performance of duties in accordance with the business situation and context, and disclosing relevant information in Form 56-1 One Report.
 - Reviewing and providing comments and suggestions on the disclosure of information related to corporate governance in Form 56-1 One Report to ensure the complete disclosure of all material information and compliance with the criteria of regulatory agencies. As a result, GC continued to receive the "Excellent" rating on the Corporate Governance Report of the Thai Listed Companies (CGR) of Thai Institute of Directors Association (IOD) for the ninth consecutive year.
- Overseeing complaint handling through the whistleblower channel to ensure compliance with the Whistleblower Policy, monitoring complaints filed through other channels with respect to shareholders and investors, the environment, communities, and customers through quarterly reports, and encouraging other companies in GC Group to establish their own whistleblower system.
- Supporting the adoption of an integrated management system for governance, risk management and internal control, and compliance (GRC) to boost efficiency and enhance corporate governance with GC Group as well as the use of digitization in creating databases to improve the agility, promptness, and efficiency of GC's risk assessment, monitoring, and fraud risk warning.

2. Promoting Compliance with Corporate Governance Policy and Business Code of Conduct

- Overseeing and monitoring activities related to GC's corporate governance to ensure compliance with the Corporate Governance Policy and the Corporate Governance and Business Code of Conduct Handbook as well as GC's business strategies and directors through regular reporting.
- Overseeing, monitoring, and promoting the development and improvement of GC's corporate governance practices under GC Way of Conduct to standardize practices across GC Group and improve suitability and alignment with the business context of each company.
- Reviewing policies and practices in the Corporate Governance and Business Code of Conduct Handbook to ensure currency, compliance with domestic and international standards, and suitability for application across the organization.
- Commenting and advising on anti-corruption measures and corruption risk assessment in GC's procedures, and approving GC's anti-corruption plan for 2021, which is clearly defined, suitable for GC's business context, and in line with relevant regulations, such as the criteria issued by Thai Private Sector Collective Action Against Corruption (CAC) and the Transparent Organization Project under the Office of the National Anti-Corruption Commission. The Committee also continuously monitored and encouraged GC's subsidiaries to join the CAC.
- Reviewing and approving GC's corporate governance plan for 2021 to serve as guidelines for executing, monitoring, and assessing GC Group's corporate governance performance in a tangible manner.

3. Supervising Sustainable Development Operations

- Overseeing Company's sustainable development to maintain its leadership as one of the Top 10 World Members in Chemical Sector by the Dow Jones Sustainability Indices (DJSI). In 2020, GC worked towards two main goals, which were to driving climate strategies to reduce greenhouse gas emissions and to introduce the concept of circular economy to society, under three core strategies, 1) Smart Operating, which refers to the creation of a business that uses technology to improve production in order to reduce consumption of natural resources; 2) Responsible Caring, which refers to the development of environmentally friendly products; and 3) Loop Connecting, which refers to increased collaboration with stakeholders to create a closed loop of integrated businesses.
- Overseeing GC's business operations to ensure responsibility towards stakeholders in accordance with good corporate governance principles; advising on and monitoring the results of relevant activities continuously through reports; and assessing the confidence of different stakeholder groups towards GC's business conduct in accordance with good corporate governance principles so as to establish plans to respond to the expectations of each stakeholder group.
- Promoting and valuing stewardship of communities and society of Rayong, GC's operating base, in collaboration with all sectors through CSR projects (Rayong Programs) designed to solve problems and meet the expectations of Rayong communities. The Committee also advised and monitored the CSR projects through regular reporting.
- Reviewing the Company's sustainable development to ensure alignment with international standards, such as the Dow Jones Sustainability Indices (DJSI) and the UN Global Compact and Carbon Disclosure Project (CDP) as well as reviewing every component of the Company's sustainability framework to ensure that it aligned with the global circumstances and rapidly evolving challenges. The Committee also approved sustainability plans and key performance indicators for 2021 to maintain its position as the world's leader in sustainability.

4. Reporting the Performance, Assessment, and Development of Directors

- Pre-setting the dates for its meetings for the entire year, arranging at least one meeting per quarter. Ad-hoc meetings were allowed to be held if necessary. In these meetings, the Committee considered and acknowledged the Company's performance and report as well as provided any recommendations to the Board of Directors and the Management.
- Reviewing the Corporate Governance Committee Charter to ensure its contents align with their roles and duties and any applicable rules and regulations.
- Reviewing the Corporate Governance Committee's assessment forms (group assessment and self-assessment) to ensure alignment with the current situation and compliance with international standards and criteria of domestic regulatory agencies.
- Reporting the performance as well as group and self-assessment results of the Committee for 2020 to the Board of Directors for their acknowledgment.
- Continuously ensuring Director development under good corporate governance principles by encouraging them to attend training courses of Thai Institute of Directors Association. In 2020, GC invited an external lecturer to share knowledge with Directors on digital trends and impacts of the 2019 coronavirus disease on the economy and the petrochemical industry.

The Corporate Governance Committee places great importance on ensuring GC's strict compliance with the Corporate Governance Policy and Business Code of Conduct. The Committee is also committed to continually enhancing corporate governance practices on par with international standards. GC believes that good corporate governance is a vital factor in promoting operational efficiency and business sustainability, which will enable the Company to earn the confidence of its stakeholders as well as international recognition.

On behalf of the Corporate Governance Committee

(Signed) Somkit Lertpaithoon

(Professor Somkit Lertpaithoon)

Chairman of the Corporate Governance Committee