

RISK MANAGEMENT COMMITTEE REPORT

Mr. Auttapol Rerkpiboon

Chairman of the Risk Management Committee



Dear Shareholders

The Board of Directors (the Board) appointed the Risk Management Committee (RMC or the Committee) to support directors in managing and supervising corporate risks to achieve business goals, and to enhance confidence on and credibility of Thairoil among investors and stakeholders. The current Committee consists of the knowledgeable, competent, and experienced directors with understanding in the business as follows:

1. Mr. Auttapol Rerkpiboon Chairman of the Risk Management Committee
2. Ms. Chularat Suteethorn Member of the Risk Management Committee
3. Ms. Phannalin Mahawongtikul Member of the Risk Management Committee
4. Mr. Wirat Uanarumit Member of the Risk Management Committee

Performance Outcomes of 2019

The RMC defined and reviewed corporate risk management framework, policy, and processes, as indicated in the Risk Management Committee Charter, as well as efficiently provided recommendations for proper risk management approaches to ensure their accordance with strategic directions, operations, and business plans. The Committee also consistently and effectively supported and improved risk management practices throughout the Company, following international standards, to forge corporate culture. This year, the RMC held six meetings with the following highlights:

1. Reviewed the risk management policy and endorsed risk appetite, risk profile, mitigation plans, Key Risk Indicators (KRIs), and the corporate risk management plan;
2. Endorsed the oil hedging framework and target prices, before tabling for the Board's approval;

3. Endorsed risk management plans for the following key projects, before tabling for the Board's approval:

3.1 Risk management plan for finding the investors in the Energy Recovery Unit (ERU);

3.2 Risk management plan for purchasing newly-issued ordinary shares in Global Power Synergy Plc (GPSC);

3.3 Risk management plan for the issuance and offering of debentures through Thairoil Treasury Center Co., Ltd. (TTC);

3.4 Risk management plan for oil production under Euro 5 standard;

4. Endorsed the risk management framework of exchange rate for Clean Fuel Project (CFP);

5. Monitored and provided advices on the corporate risk management outcomes for Q1-Q4/2019;

6. Monitored and supervised on the oil hedging outcomes for Q4/2018 and Q1-Q3/2019;

7. Monitored the risk management progress and provided risk management recommendations on the CFP, Thairoil Sriracha Buildings Project, Jetty Expansion Project, Site Preparation for the construction of CFP's ERU project, and IDEA Project for Basic Infrastructure on Refining Compound.

8. Acknowledged the RMC's performance for 2019

The Risk Management Committee concluded that this year, Thairoil has developed an extensive corporate risk management system to embrace all aspects of risks and commanded continual risk management practices to cope with prevailing circumstances. The RMC meetings were regularly arranged to review key and urgent risks, rendering Thairoil and Subsidiaries' risk management effectiveness. Thairoil indeed effectively and suitably managed key corporate risks which were controlled within indicated risk appetite.

November 18, 2019

On Behalf of the Risk Management Committee



(Mr. Auttapol Rerkpiboon)

Chairman of the Risk Management Committee
Thai Oil Public Company Limited