

## RISK MANAGEMENT COMMITTEE REPORT



**Mr. Apisak Tantivorawong**

Chairman of the Risk Management Committee  
Thai Oil Public Company Limited

### To the Shareholders

The Board of Directors of Thai Oil Public Company Limited appointed the Risk Management Committee in support of its oversight of corporate risk management, which is a key tool to promote its goal achievement. The present committee consists of three directors who are competent and experienced in business, namely:

1. Mr. Apisak Tantivorawong    Chairman  
(Independent Director)
2. Mr. Nuttachat Charuchinda    Member  
(Director)
3. Mr. Veerasak Kositpaisal    Member  
(Director/CEO)

### Performance in 2012

The committee defined and reviewed the corporate risk management framework, policy, and process as defined in its charter. It provided recommendations on the risk management approach that matched Thairoil's business direction, operation strategies, and plans, while supporting continuous development of risk management across the board in Thairoil on a par with international standards to forge corporate culture. This year the committee met six times, with the following essential actions:

1. Endorsed key corporate risks and provided recommendations on risk management
2. Endorsed Thairoil Group's revised risk management structure to align with changes and for greater efficiency and effective practices
3. Endorsed Business Continuity Management Project action plans
4. Supervised and monitored outcomes under the risk management framework of petroleum product and crude oil prices for the year, and endorsed framework expansion for price risk management
5. Endorsed risk management plans for key investment projects before seeking the Board's consideration, including the solution approach to Thairoil Ethanol's problem, the energy efficiency improvement project for Crude Distillation Unit-3 (CDU-3), and the LAB (Linear Alkyl Benzene) Project.
6. Provided recommendations to encourage development of corporate risk management for greater efficiency and effectiveness.

December 31, 2012

On behalf of the Risk Management Committee

**(Mr. Apisak Tantivorawong)**

Chairman of the Risk Management Committee  
Thai Oil Public Company Limited