

Report of the Risk Management Committee

Dear Shareholders,

The Risk Management Committee emphasizes and closely monitors the execution of risk management by defining GGC's risk management scope in its business aspects to accommodate GGC's internal and external circumstances, controlling the risk management practice into acceptable and appropriate level under good corporate governance, and executing the risk management processes to allow such management to proceed with efficiency and the corporation to achieve its business goals.

In 2018, the committee fulfilled the Board-assigned scope, authority, and responsibilities, as highlighted below.

- Relentlessly drove and monitored corporate risk management on year 2018 while offering its recommendations for developing risk management to ensure that GGC covers all key aspects; also, devised mitigation plans for all situations potentially affecting corporate businesses.
- Revised and endorsed the corporate risk management frameworks, namely those of inventory and foreign exchange rates, to mitigate impacts of volatile feedstock prices and exchange rates; also, closely monitored implementation under risk management frameworks, namely those of product-feedstock prices and price spreads, inventory, and exchange rates, as well as risk management criteria for project investment—all for efficient risk management.
- Screened, commented, and provided recommendations on year 2019's corporate risk factors to align them with the prevailing business outlook as well as evolving critical international and domestic circumstances compatible with GGC's key operating goals.
- Provided recommendations on risk assessment and risk management measures for key corporate investment projects prior to the Board of Directors project investment decisions.
- Revised and endorsed amendments to its own charter and the risk management policy to enable such management to proceed efficiently, suit GGC's businesses, and align GGC's practices with SEC's corporate governance principles while encompassing the risk management oversight of GGC's affiliates, GGC Group's affiliates, or other significant investment by GGC.
- Advocated employees' awareness of risk management, understanding and conformance to risk management policies, and review of risk assessment potentially affecting work processes to ensure accommodating measures for key risk management; to this end, risk management was included in all employees' job descriptions.
- Advocated a risk management culture and promotional learning activities concerning the significance of corporate-wide risk management from the level of the Board of Directors, Executives, and employees.
- Assessed its own performance as a group and as individuals.

The Risk Management Committee completely fulfilled its scope, authority, and duties stated in its charter in regularly governing, screening, providing recommendations, and monitoring corporate risk management. These not only enable GGC to fulfill its objectives and goals, but also supplement value to its shareholders and stakeholders.

On behalf of the Risk Management Committee

(Signed) Kannika Ngamsopee
(Ms. Kannika Ngamsopee)
Chairman of the Risk Management Committee