

Report of the Risk Management Committee

Dear Shareholders,

The Risk Management Committee consists of three members from the Board of Directors, one among them is an Independent Director. All members have experienced in the industrial sector, competency and excellent knowledge of risk management. Ms. Kannika Ngamsopee serves as a Chairman of the Risk Management Committee with Mr. Patiparn Sukorndhaman replacing Mr. Narongsak Jivakanun as a new member since 6 November 2019 and Mr. Witoon Suewatanakul replacing Mr. Sekxon Arttamangkura since 1 July 2019.

The Company has placed importance on risk management, including managing the risks in compliance with the GGC's Good Corporate Governance Policy and improving such systems effectively, so the Company can meet goals and boost confidence among the stakeholders.

The Risk Management Committee has carried out duties within its scope of authority and responsibility as assigned by the Board of Directors and as stated in the Committee's Charter. The Committee had a total of six meetings in 2019. A summary of the Committee's key activities is as follows:

1. The Risk Management Committee monitored, followed up and provided recommendations to the Management Department to continuously manage risks in 2019 and ensure that the risk management plan covers key elements and mitigates risks at the appropriate level and effectively. The Committee submitted the progress report to the Board of Directors quarterly for consideration.

2. The Risk Management Committee provided opinions, recommendations, operating plan and after-action review to all internal units. The Committee also closely followed up the performance by improving the control over internal operation to make sure internal controls are sufficient and effective as stated in principles of internal control and the Good Corporate Governance Policy.

3. The Risk Management Committee approved a risk management plan, including risk mitigation measures and key risk indicators (KRIs) for Nakhon Sawan Biocomplex (NBC) to handle a wide range of risks and manage the plan effectively to keep the project on track.

4. The Risk Management Committee provided opinions and recommendations for risk assessment, risk mitigation measures and a change in investment and project management framework of Refined Glycerine Plant 2 by assessing the risks, identifying risk management scope throughout the project to ensure the Company's suitable risk management plan.

5. The Risk Management Committee screened and approved a revision of risk management plan that covers all key elements and may have impact on the Company's business operations such as inventory risk, any difference between the price of products and raw materials, anti-bribery and anti-corruption efforts in procurement, business operations with the outsiders and risks from investment as well as exchange rates. Also, the Committee proposed the Management Department to consider safety standards and control system in order to manage risks more effectively.

6. The Risk Management Committee screened and offered recommendations on factors for the 2019 risk management plan in line with the business direction, the changing context of business and GGC's business goals as well as strategies.

7. The Risk Management Committee encouraged employees to include risk management as part of their duties and responsibilities. In addition, the risk management was considered part of an employee's performance and that of the Company.

8. The Risk Management Committee considered and approved a revision of the their Charter and Risk Management Policy, including GGC's risk management manual in line with the business direction and Good Corporate Governance Policy as well as the guideline of the Stock Exchange of Thailand (SET). The Committee also conducted assessments of both Entire and Self-assessment. The results of the assessment were forwarded to the Board of Directors for consideration.

The Risk Management Committee performed its duties systematically and reviewed the management plan in line with both internal and external situations while looking for effective measures to mitigate the risks. The Committee also closely followed up on the business operations which resulted in suitable risk mitigation measures that helped the Company achieve its objectives as well as goals and bring long-term value to the shareholders and stakeholders sustainably.

On behalf of the Risk Management Committee

(Signed) (Ms. Kannika Ngamsopee)

Chairman of the Risk Management Committee