

Report of Risk Management Committee

Dear Shareholders,

The Risk Management Committee consists of four directors, two of whom are independent directors. All members possess experience in diverse fields of industry and business together with mastery of risk management. Chairing the committee is Mrs. Kannika Ngamsopee (independent director), with Mr. Patiparn Sukorndhaman, Mr. Jarun Wiwatjesadawut (independent Director), and Mr. Piroj Samutthanant (Management Director) serving as members.

This year GGC continued to face the world's massive crisis arising from the Covid-19 pandemic, which has wielded impacts worldwide on economies, human lives, and human safety in all corners of the world. In addition, it faced crude oil price volatility, price competition among methyl ester producers, crude palm oil feedstock price volatility, and a drought-induced feedstock shortage in Thailand. On the bright side, the crisis gave rise to a positive world trend for more attention to health and hygiene as well as green products, evident in policy formulation on global climate change and goals on green-product consumption—there lie GGC's business opportunities today and in the future. The Risk Management Committee executed its duties with utmost dedication in commenting, advising, and monitoring mitigation plans as well as various crisis management actions to ease impacts on performance outcomes, implementation of key projects, business continuity, and employees' safety. All these have enabled GGC to survive the crises of 2021 while executing key business matters and achieving goals, which underscores its efficient risk management standard that helped GGC cope with global economic volatility, market competition uncertainty and severity, as well as new risk factors in a speedy manner.

GGC values risk management, steering enterprise risk management (ERM) under the CG Code and implementing the risk management process for its management to proceed efficiently while GGC achieves its goals, thus fostering shareholders' confidence. GGC also engages in assessment of risks arising from external factors or incidents potentially affecting its business operations. With prudence and efficiency, it reviewed mitigation plans together with risk management frameworks.

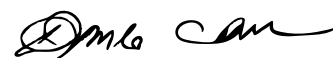
This year the committee held seven meetings and executed Board-assigned and charter missions under the scope of authority and responsibility as highlighted below.

1. Constantly steered, monitored, commented, and advised management on ERM 2021 and commented on mitigation plans for emerging risks to ensure compatibility with GGC's risk appetite. The committee reported its performance outcomes to the Board every quarter or whenever risks arising from various factors could significantly affect short-term corporate goals and corporate strategic goals.
2. Commented on the improvement and revision of risk management frameworks for feedstock and product price volatility, inventory management, key project investment, and forex.
3. Reviewed risk management for four key projects against its strategic plans and the project for project value addition:
 - 3.1 The Utility Provider for Nakhonsawan Bio Complex Phase 2 Project: The committee reviewed risk assessment and the mitigation plan to embrace project implementation and partners' investment projects. It also reviewed risk issues concerning various contract terms between joint-venture GKBI and business partners.

- 3.2 The Bio-Succinic Acid Project to produce bioplastics feedstock: The committee provided advice on improving key measures to ease project risks, namely project investment format, market development, project investment cost-effectiveness, technological development, and selection of business partners under this joint-investment project.
- 3.3 The project to extend fatty alcohols toward HPC: The committee provided advice and considered risk assessment together with the mitigation plan to embrace the entire supply chain; they also examined proper business models. Also considered was the establishment of cooperation with business partners for efficient business development while lowering risks concerning prototype products and market as well as customer development.
- 3.4 Share sale in TETSO: The committee commented and provided advice on the sale in this joint venture with due regard for legal provisions and responsibility as well as cordial relations with business partners.
4. Commented and provided advice on a plan to improve operating efficiency and the internal control process:
 - 4.1 Efficiency improvement and measures for machinery security
 - 4.2 IT system security and the support to GGC's activity to educate employees on information security
 - 4.3 Risk management for methyl ester sales price strategy to align with market situations and upkeeping of GGC's competitiveness.
5. Endorsed the 2022 enterprise risk management (ERM) guidelines and instructed GGC to track updates on the 2021 ERM residual risks efficiently in line with the plan.
6. Commented and provided advice on the Risk and Control Self-Assessment ("RCSA") Project to align more with SEC's CG Code and GGC Group's best practices to promote GGC's achievement of internal control objectives, namely operation, reporting, and compliance.
7. Revised the risk management policy and the committee's charter in line with the COSO ERM 20127 (Enterprise Risk Management) and reported its performance assessment outcomes for the Board's acknowledgment and disclosure in Form 56-1 One Report.

In tackling risk management, GGC took into consideration impacts of external factors, emerging risks, strategic focus, stakeholders' expectations, and residual risks to satisfy its risk appetite and promote efficient goal and objective achievement.

On behalf of the Risk Management Committee



(Mrs. Kannika Ngamsopée)

Chairman of the Risk Management Committee