



# 2025 Enterprise Risk Management Process

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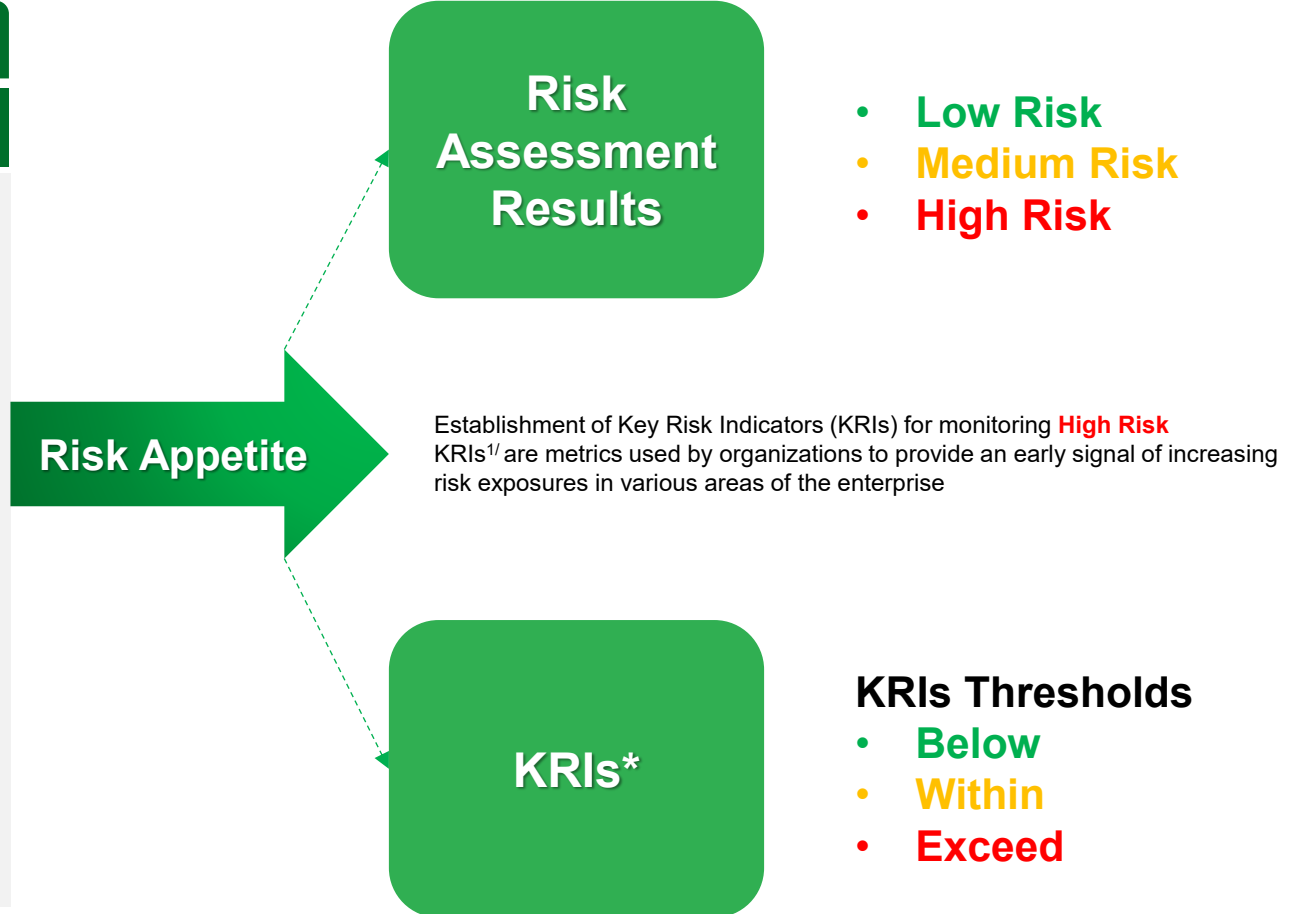
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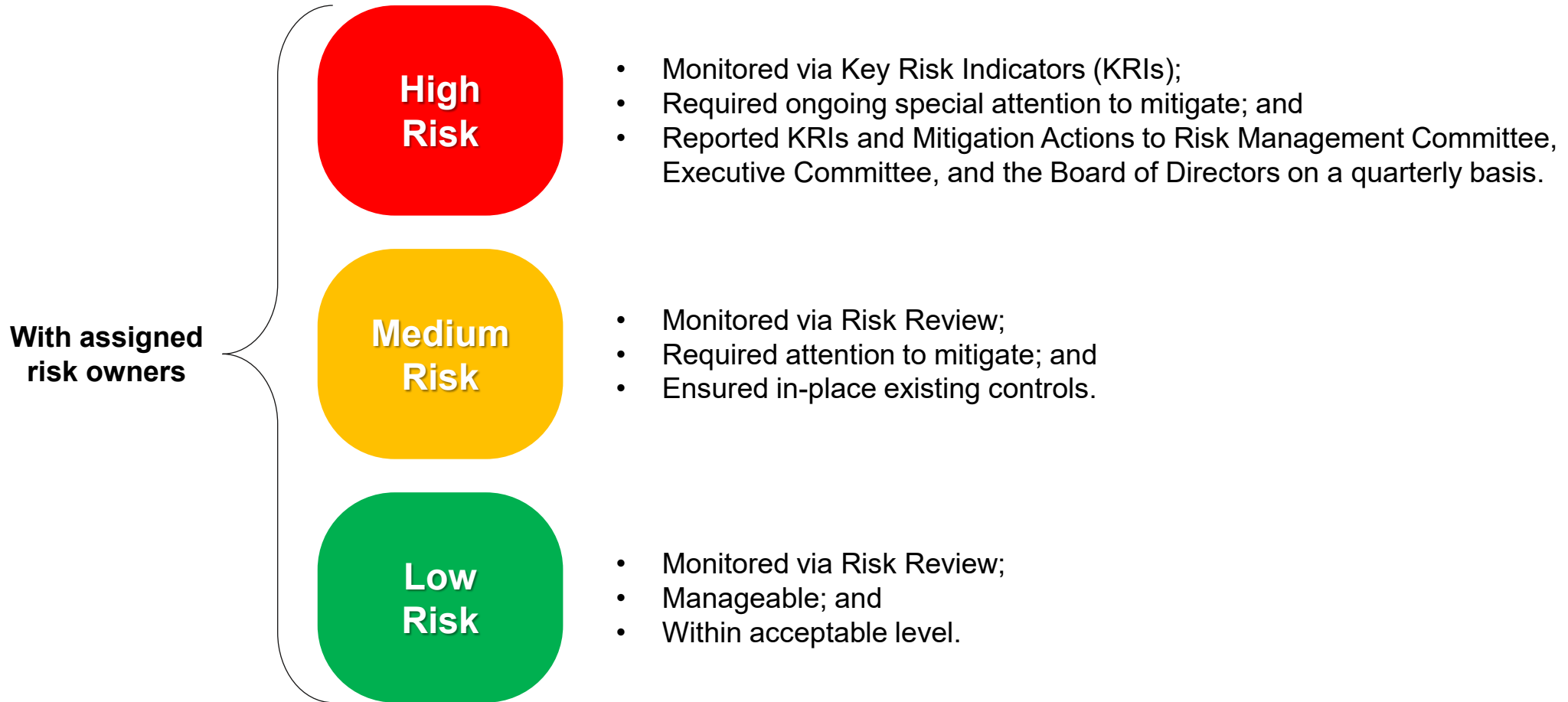
# 01 Risk Appetite: Overview (1/2)

Risk Assessment	
Impact Criteria	Likelihood Criteria
<ul style="list-style-type: none"> <li>• Net Profit</li> <li>• Property Damage</li> <li>• Credit Control</li> <li>• Project Management</li> <li>• Management Control</li> <li>• Customer/community Satisfaction</li> <li>• Regulatory or Compliance</li> <li>• Breaches</li> <li>• Legal</li> <li>• Corporate Reputation</li> <li>• Business Continuity (Operations)</li> <li>• Business Continuity (IT)</li> <li>• Employee Health and Safety</li> <li>• Environment</li> <li>• Human Resources</li> </ul>	<ul style="list-style-type: none"> <li>• Frequency; or</li> <li>• Probability in the next 3 years</li> </ul>



1/ Referred to Developing Key Risk Indicators to Strengthen Enterprise Risk Management, COSO

# 01 Risk Appetite: Action to be taken (2/2)



## 02 Top Corporate Risks (1/2)

<b>Identified Risk</b>	<b>Uncertainty associated with Feedstock Supply Availability</b>
<b>Risk Description</b>	Our asphalt production requires specific types of crude with relatively high sulfur content which can only be procured from a select few crude sources. The Group relies on a small handful of sources for heavy crude oil supply, which contributed to crude supply uncertainty. This potentially affects both our refinery operations and international trading businesses.
<b>Risk Assessment Results</b>	<b>Impact: Extreme and Likelihood: Very Likely &gt;&gt; High Risk</b>
<b>Key Risk Indicators</b> (Monitored monthly)	<ul style="list-style-type: none"><li>• Number of Cargoes, procured</li><li>• Estimated vs Actual Quantity, procured</li></ul>
<b>Mitigation Actions</b>	<ul style="list-style-type: none"><li>• Source commercial-viable alternative crude/ feedstocks from oil producers and oil trading companies to ensure the non-interrupted operations of our refinery facility.</li><li>• Procure asphalt cement directly from regional refineries to support our international trading activities.</li></ul>

## 02 Top Corporate Risks (2/2)

<b>Identified Risk</b>	<b>Information Technology and Cybersecurity</b>
<b>Risk Description</b>	<p>The Group’s increasing reliance on technology to support and enhance its operations may result in greater exposure to risks such as cyberattacks, and data breaches. These risks arise from the growing complexity of digital systems, the interconnectivity of networks, and the sophistication of cyber threats. Additionally, the need to comply with data privacy laws and regulations further underscores the importance of effectively managing and mitigating these vulnerabilities to safeguard sensitive information and maintain operational integrity.</p>
<b>Risk Assessment Results</b>	<b>Impact: Extreme and Likelihood: Very Likely &gt;&gt; High Risk</b>
<b>Key Risk Indicators (Monitored monthly)</b>	<ul style="list-style-type: none"> <li>• Number of PC With Virus Infected</li> <li>• Number of High Severity Incidents</li> </ul>
<b>Mitigation Actions</b>	<ul style="list-style-type: none"> <li>• Established IT system and policy to ensure proper information security and management. The policy is regularly ed by both internal and external audit teams for improvements to its efficiency and effectiveness.</li> <li>• Reviewed all activities related to information security to ensure all information technology users within the domain of the Group and its networks comply with information technology security policy and guidelines.</li> <li>• Conducted information security awareness program is one of the strategies we have developed and shared with all our information technology users to prevent and mitigate risk, and to help them understand the role they play in combatting information security breaches.</li> <li>• Aligned with ISO/IEC 27001 standards, the IT department has conducted a comprehensive Risk Assessment Process. This process not only identifies and analyzes all information security risks but also defines the implications of these risks. Our Risk Treatment Plan (RTP) has been meticulously designed to effectively control and mitigate these identified risks.</li> </ul>

# 03 Risk Management Process Audit



# 04 Risks Management Training for Board of Directors in 2025

Training Topics	Training Objectives	Participant(s)
<p><b>Human Rights Knowledge Sharing for Board of Directors</b></p>	<p>To enhance the Board of Directors' understanding of human rights risks and their business implications, provide insights into global trends and international standards on business and human rights, introduce the Human Rights Due Diligence (HRDD) approach, and strengthen the Board's capacity to effectively oversee and guide human rights risk management within the organization.</p>	<p>Mr. Chainoi Puankosoom            Mr. Koh Ban Heng            Mr. Phirasilp Subhapholsiri            Mr. Nopporn Thepsithar            Mr. Jacques Pastor            Mr. Somchit Sertthin            Mr. Jean-Marie Verbrugghe            Mr. Niphon Suthimai            Mr. Pongsatorn Buasup            Mr. Frederic Roussel            Mr. Chaiwat Srivalwat</p>
<p><b>Provided by</b></p>		
<p><b>Deloitte.</b></p> <p>Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.</p>		



# 04 Risks Management Training for Employees in 2025

Training Topics	Training Objectives	Provided by	Participant(s)
<p><b>RIC Knowledge Sharing 1/2025: Geo-Political risk, Reciprocal tariff risk</b></p>	<ul style="list-style-type: none"> <li>To educate listed companies on navigating these risks within their reporting and strategic planning.</li> </ul>	 <p>Thai Listed Companies Association (TLCA)</p>	<p>Risk Management Office</p>
<p><b>ESG: Opportunities and Risks</b></p>	<ul style="list-style-type: none"> <li>To understand global and Thai trends in climate and environmental management, including key ESG regulations (CBAM, carbon tax, IFRS S1/S2).</li> <li>To identify and manage ESG risks and opportunities in line with IFRS S2.</li> <li>To apply practical approaches to ESG risk management and opportunity creation in listed companies.</li> </ul>		




## 05 Emerging Risks

In alignment with the Company's ERM framework and S&P Global requirements, two emerging risks—gloeconomic confrontation and state-based armed conflict—have been identified based on insights from the WEF Global Risk Report. These risks reflect growing geopolitical uncertainties that may impact global energy markets and supply chains. Their identification supports early risk recognition, proactive mitigation planning, and enhanced business resilience, while strengthening alignment with international sustainability and risk management frameworks.

# 05 Emerging Risks (1/2)

<b>Name of the Emerging Risk</b>	<b>Geoeconomic confrontation</b>
<b>Risk Category</b> <small>(aligned with the categories defined in the World Economic Forum – Global Risk Report)</small>	Geopolitical
<b>Emerging Risk Description</b>	Increasing use of economic tools as instruments of geopolitical power and conflict, where countries deploy measures such as tariffs, sanctions, export controls, and investment restrictions to advance strategic interests or pressure other nations.
<b>Potential Impact</b>	<ul style="list-style-type: none"><li>• Less supply and surge in price of in crude and fuel</li><li>• Less sales volume to customers</li></ul>
<b>Mitigation Actions</b>	<ul style="list-style-type: none"><li>• Proactively secure feedstock from alternative sources and crude from Venezuela</li><li>• Procure Asphalt Cement supply from other refineries</li></ul>

# 05 Emerging Risks (2/2)

<b>Name of the Emerging Risk</b>	<b>State-based armed conflict</b>
<b>Risk Category</b> <small>(aligned with the categories defined in the World Economic Forum – Global Risk Report)</small>	Geopolitical
<b>Emerging Risk Description</b>	The use of military force between sovereign states (countries), including wars, cross-border attacks, and other forms of direct interstate violence that can lead to widespread humanitarian, economic, and geopolitical consequences.
<b>Potential Impact</b>	<ul style="list-style-type: none"> <li>• Less supply and surge in price of in crude and fuel</li> <li>• Asphalt price volatility</li> <li>• Higher transportation and operating cost</li> <li>• Potential product delivery delay</li> <li>• Potential construction and maintenance project delay</li> </ul>
<b>Mitigation Actions</b>	<ul style="list-style-type: none"> <li>• Consider Group’s wide inventory plan for key raw materials</li> <li>• Diversify supplier for key raw materials</li> <li>• Secure contractual provisions for fuel price adjustment and route deviation</li> <li>• Secure supply and service for fixed price and all availability</li> </ul>