

## Risk Management Policy

Gulf Energy Development Public Company Limited (“the Company”) realizes the importance of risk management, which is a key composition of the good corporate governance. Moreover, it is a tool for the Company to enhance confidence of shareholders, investors, and all related parties while adding value to involved persons. Therefore, it decides to incorporate the risk management system into the operations of the Company.

The Company determines the following guidelines to ensure efficient risk management.

### 1. General provision

**Executive** is defined as Chief Executive Officer or CEO (Manager) and 4 executives down from CEO, all executives holding the title equivalent to the executive of 4th tier, including executives in accounting department holding title of Department Manager or equivalent.

**Company personnel** is defined as the Board of Directors, executives, full-time employees, temporary staff, and contracted employees of the Company.

**Risk** is defined as uncertain events, which may occur in the future and could result in either positive or negative impact. In this regard, negative impact would cause errors, damages, leakages, loss, or undesired result that obstruct the Company from achieving business goals. Thus, the likelihood and impact from such events shall be anticipated.

**Risk management** is defined as process to identify, evaluate, and manage risks and opportunities within the management framework by related parties to ensure that the business objectives or strategies of the Company are achieved.

### 2. Risk management guidelines

- 2.1 The Company determines the risk management framework as well as the risk management process in a simplified manner to ensure practicality for the entire organization by applying the COSO enterprise risk management. This is to ensure that the Company’s risk management system is on par with the international standards.
- 2.2 The risk management guidelines were approved by the Audit Committee.
- 2.3 The approved risk management guidelines were communicated to company personnel for implementation, with the support of the Risk Management Working Group.
- 2.4 The risk management guidelines of the Company shall be reviewed and revised at least every 5 years or in case where the Company incurs significant changes.
- 2.5 All company personnel participate in implementing the risk management guidelines to their operating processes and activities as well as ensuing that various risks are managed under the internal control framework in an adequate and suitable manner.
- 2.6 Risk management activities are carried out based on the risk management policy and guidelines, with reference to the risk management handbook of the Company.

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### **3. Roles and responsibilities**

The risk management policy is enforced to the entire organization as described follows.

- 3.1** The Sustainability, Governance and Risk Management Committee has a duty to acknowledge, consider, and review risk management of the Company on a continuous basis so as to ensure that the Company puts in place adequate and appropriate risk management, as well as to provide support to risk management functions (the Risk Management Working Group).
- 3.2** The Risk Management Working Group has the following duties.
  - 3.2.1.** To monitor key risks of the entire organization and to ensure a suitable management plan is put in effect.
  - 3.2.2.** To promote the risk management policy and to ensure compliance with the risk management handbook throughout the organization.
- 3.3** All employees of all levels have roles and responsibilities to manage risk within their scope of work and responsibilities. They shall understand the principal of risk and shall be able to identify, evaluate, manage, monitor, and report risks and control thereof within the risk management framework of the Company in an appropriate manner. This is to ensure the efficiency of risk management, which is beneficial to the Company in alignment with the business goals and plans of each year.
- 3.4** The Sustainability, Governance and Risk Management Committee is responsible for acknowledgement of the risk evaluation result and provision of recommendations for matters to be considered by the Company.
- 3.5** The internal auditor has a duty to ensure sound internal control of risk management and compliance thereof. Also, the internal auditor shall ensure that the risk management guidelines are appropriately adopted, participate in reviewing the risk management policy and guidelines, conduct evaluation on effectiveness of the existing control measures, and shall refer to the risk evaluation result in the risk-based audit planning.

#### **Contact**

Inquiries, suggestions, and complaints related to this policy may be directed to the Company at [sustainability@gulf.co.th](mailto:sustainability@gulf.co.th).

Violations of the policy may be reported to the Internal Audit Department at [ia@gulf.co.th](mailto:ia@gulf.co.th). The Company's whistleblowing policy shall apply in all cases of reporting.