

Risk Management Policy

1. Introduction

Sahathai Terminal Public Company Limited is aware that risk management is part of the good governance and a key foundation to achieve the objectives of the company. Risk identification and management will help and support the company to make a better decision and to indicate the opportunity and to reduce the impacts from the major incident possibly incurred. Risk means the possibility that the incident may incur and affect the objectives of the company and is measurable from the impacts and the possibility.

2. Objective

The risk management policy (“this policy”) is arranged with the objectives as follows.

1. To provide a framework on the work undertaken in the risk management of the company to ensure congruence in the practice companywide.
2. To ensure that the duty and responsibility has been determined to appropriately supervise the risk indicated.

3. Scope

This policy is applicable to every work undertaken, including every executive and employee of the company.

4. Risk management policy

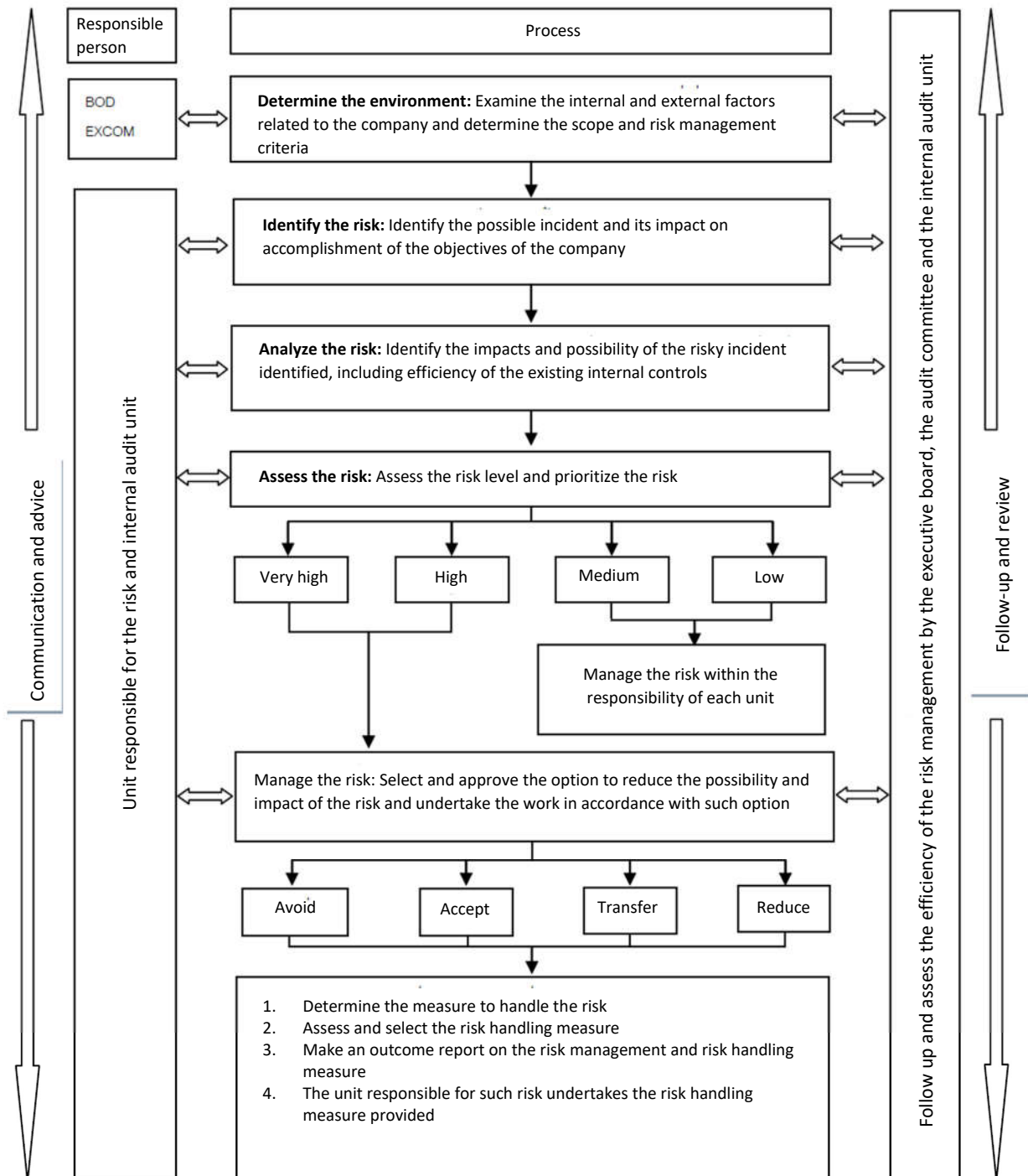
1. The business is undertaken under the acceptable risk to achieve the objectives of the company through the risk management provided as part of the annual business plan preparation, management and decision making, including project management process.
2. Every executive and employee of the company owns the risk so it is their duty and responsibility to identify and assess the risk of unit under their responsibility, including formulation of the suitable measure to handle the risk.
3. All risks which have affected the accomplishment of the objectives of the company have to be treated in the following procedures.
 - Identify the risk in a timely manner
 - Assess the possibility of the risk and impact if the incident has incurred
 - Manage the risk in accordance with the risk management criteria provided (details in the attachment) with consideration on related expenses and impacts of such risk management
 - Follow up to ensure that the risk of the company has been appropriately handled
4. All the risks that may affect the business plan and the strategy of the company rated high and very high shall be reported to the executive board, the audit committee and the board of directors of the company.

5. Duty and responsibility

Related persons	Roles and responsibility
Board of directors	<ul style="list-style-type: none"> - To supervise the policy, provide recommendations and consent on the risk management plan of the company - To encourage and motivate the suitable action to handle the risk - To understand the risk and its serious impacts on the organization and to ensure that such risk is appropriately handled
Risk management committee	<ul style="list-style-type: none"> - To supervise and monitor the risk management independently - To monitor the performance efficiency of the internal audit unit and those responsible for the risk management - To review and provide advice on risk management - To communicate with those responsible for the risk management to ensure understanding in the major risk and to connect with the internal control to ensure that the internal control and the risk management is appropriate
Chairman of various departments	<ul style="list-style-type: none"> - To study and monitor the conditions and the economic change, the domestic and oversea environments which may affect the objective of the company with communication on the change in major risk to related persons - To promote the risk management policy and to ensure that the risk management process has been implemented all over the organization - To supervise and control the risk management process of the company with consideration of the objective, assessment, management, plan preparation and to prepare the follow-up and assessment report on risk management to ensure that the risk is acceptable to the company and is in accordance with the objective of the company - To ensure that the risk management of the company is undertaken with the information system and systematic integration - To appoint the working group or officer to undertake the work as deemed suitable and to encourage the development of the capability of the human resource to adjust the organization culture
Risk management working group	<ul style="list-style-type: none"> - To prepare the policy, strategy and risk management plan at the company level and risk management manual in accordance with the risk management process to accomplish the objective, to prepare document and information, agenda for presentation and clarification, including recommendations, to the management and the board of directors of the company - To identify and report the risk related to the work performed and to understand the risk management plan and to implement such plan - To motivate the employees of all levels to be aware of the risk and risk control - To assess the risk of the work under the responsibility and to prioritize the risk - To determine the activity to control the risk within the acceptable level - To carefully consider the risk factors and to present the related issues to the superior in a timely manner - To prepare the risk status report after such risk has been completely handled or correct to the superior
Internal auditor	<ul style="list-style-type: none"> - To prepare the audit plan and check the risk management work in each unit to ensure that the risk management system is suitably adjusted and complied all over the organization - To review the risk management work - To communicate the with the audit committee to ensure understanding in the risk and to conduct the internal audit in accordance with the risk management guideline

6. Risk management method

Each step of the risk management process has been provided as follows.



7. Review of the policy

The board of directors of the company is required to review this policy every year and to make an approval on any change. This policy is in effect on 3 May 2017.