

RISK APPETITE STATEMENT

TOP has established a risk appetite as a key element in a risk governance framework and has a boundary of our business activities. As such TOP will closely monitor and promptly manage the business in accordance with this risk appetite and its matrices and enhance our resilience to the dynamic environment and any possible adverse events in helping TOP to achieve its strategic objectives.

1. Strategic

TOP's corporate strategy risk posture reflects differentiated risk appetites across its three strategic pillars 2S1P, i.e. Strengthening the Core (S1), Sustaining the Future (S2), and Powering the Platform (P).

For the Core, the Clean Fuel Project (CFP) is mission-critical, with NO risk appetite as the company cannot tolerate material delays, cost overruns, or commissioning failures, requiring strong governance and disciplined execution to ensure timely startup without compromising on Safety, Security, Health, and Environment (SSHE).

For Sustaining the Future and Powering the Platform, a calibrated approach is applied: small-scale investments carry a MEDIUM risk appetite to support innovation and growth, while large-scale investments have a LOW risk appetite due to capital intensity and reliance on CFP returns, requiring rigorous evaluation and strict controls.

New investments must align with the strategic focus and deliver return on investment exceeding company's WACC and support business portfolio diversification towards high margins, lower carbon and international market expansion in anticipation of energy transition and sustainability, supported by strong capital allocation discipline and integrated risk management to balance resilience and growth.

2. Commercial/Marketing

While TOP aims to maximize its net profit beyond the corporate plan, TOP has **MODERATE risk appetite** in managing feedstocks price as well as products price spread volatility in order to protect the downside risk of business.

TOP has a **MODERATE risk appetite** to strategically secure regional customers to ensure sale at the highest value.

3. Financial

TOP has a **LOW risk appetite** for financial management. TOP adheres to its strong discipline in securing funding sources and maintain adequate cash flow to meet our obligations and support growth, while preserving an investment grade credit rating.

4. Operation

TOP commits to ensure that all Safety, Security, Health and Environment (SSHE) risks are identified, evaluated and measured for reducing them to levels that are **As Low As Reasonably Practicable (ALARP)** and also ensure cyber resilience to support business continuity.

5. Environmental Social and Governance (ESG)

TOP commits to conducting business responsibly in accordance with the ESG framework to be leading in Dow Jones Best-in-Class Indices (DJBIC) rating by 2030. TOP strives to achieve its climate goal in alignment with global commitment and Thailand's national targets, while promoting community and social engagement by collaborative improvement on quality of life. TOP adheres to the principle of good corporate governance, business ethics and transparency and **will not tolerate** any form of corruption, bribery, fraud or non-compliance behaviors that could compromise organizational integrity and regulatory obligations.

6. People Capacity and Capability

TOP has a **LOW risk appetite** with regard to people and organization. TOP commits to ensure the readiness of workforce planning and employee capability for support business strategy.

RISK APPETITE METRIC

	Risk type	Risk Appetite	Risk Controls & Mitigations	Champion
1. Strategic	○ New Investment	<ul style="list-style-type: none"> • Medium Appetite for low capex project • Low Appetite for high capex project 	✓ Selecting new businesses in focus area aligning with 2S1P strategy , yielding IRR above company's WACC , supporting strategic target of business portfolio diversification to S2 & P and maintain company's creditworthiness.	EVPS
	○ Current asset: CFP	<ul style="list-style-type: none"> • No Appetite 	✓ Ensuring CFP project completion within timeline, quality, budget	EV PX
2. Commercial/Marketing	○ Crude price and GRM fluctuation	<ul style="list-style-type: none"> • Medium Appetite 	✓ Managing feedstock price and product price volatility by diversifying feedstock sources, expanding product variety, and hedging at $\leq 50\%$ of annual volume on product spread and Inventory	EVPC
	○ Losing customers	<ul style="list-style-type: none"> • Low Appetite 	✓ Giving best effort to retain key customers and maintaining customer engagement in the top quartile of its peers.	
3. Financial	○ Credit rating downgrade	<ul style="list-style-type: none"> • Low Appetite 	✓ Maintaining an investment grade credit rating	
	○ Ensuring liquidity for adequate supporting payments and dividends	<ul style="list-style-type: none"> • No Appetite 	✓ Monitoring and managing cash flow to ensuring adequate liquidity to meet our obligations and maintaining minimum cash ending which align with working capital requirement	EV PF
4. Operation	○ Safety, Security, Health and Environment (SSHE)	<ul style="list-style-type: none"> • ALARP¹ 	✓ Applying process safety management program & SSHE management program to achieve <ul style="list-style-type: none"> ◆ TRCF < 0.25² ◆ Major accident event³ = 0 	SEVP
	○ Cyber resilience	<ul style="list-style-type: none"> • ALARP 	✓ Applying the NIST and Zero Trust framework to adopt cybersecurity technology and process to achieve <ul style="list-style-type: none"> ◆ Major cyber attack (no business interruption) = 0 ◆ Ransomware big hit / PDPA data breach = 0 	EV PN

	Risk type	Risk Appetite	Risk Controls & Mitigations	Champion
5. ESG	○ Environment: Climate mitigation risk	• Low Appetite	<ul style="list-style-type: none"> ✓ Execute 3Cs Strategy and Decarbonization Pathway to achieve 15% GHG reduction by 2035 from base year 2029 and net zero by 2060, or Accelerate Net Zero Target to 2050 with conditions of technological maturity, economic viability and business competitiveness <ul style="list-style-type: none"> ◆ Implementing key initiatives on a timely basis to “CUT” down our GHG emission of scope 1&2 (i.e. energy efficiency improvement and decarbonization technology) Implementing key initiatives on timely basis to “COMPENSATE” the remaining GHG emission by offsetting with carbon credit through 3Bs Strategy (Build, Bring, and Buy) ✓ Selectively investing in future business/ firms that has lower GHG emission to “CONTROL” our future emission 	EVPG
	○ Social : Society and Community	• Low Appetite	<ul style="list-style-type: none"> ✓ Execute C.A.R.E Strategy and implement corporate social responsibility projects to achieve ✓ Community Engagement Survey > 90% 	
	○ Governance	• No Appetite	<ul style="list-style-type: none"> ✓ Closely monitoring the change of existing & the introduction of new Laws and regulations and develop CG Policy, Anti-Fraud Policy, Code of Conduct and communicate to all stakeholders and ensure regulatory compliance through compliance assessment ✓ Embed 3Ss GRC strategy (Safeguarding / Strengthening / Sustaining) to promote integrity, transparency to achieve <ul style="list-style-type: none"> ◆ Non-compliance with legal and regulatory requirement = 0 ✓ Corruption/ fraud incidents = 0 	
6. People Capacity and Capability	○ People capacity and capability	• Low Appetite	<ul style="list-style-type: none"> ✓ Ensuring employee readiness on capacity and capability <ul style="list-style-type: none"> ◆ Sufficient manpower according to business strategy plan ✓ Capable employee to drive business performance and growth explanation 	EVPO

Note:

1. As Low As Reasonably Practicable (ALARP) is achieved when risk is reduced to a level at which the cost and effort (time and trouble) of further risk reduction are grossly disproportionate to the risk reduction achieved
2. TRCF < 0.25 target for 2027
3. Major accident event is an accident that consequence is in the major level (level 5 of consequence) according to company risk assessment matrix or PSE (Process Safety Event) Tier 1 case
4. This version has been updated in May 2026