



#### 4. Risk Management

Risk Management means a process in management to reduce risks or impacts from risk events to be at an acceptable level. There are several risk management methods as follows:

1. Risk Acceptance: to accept the risk, because it is not worth managing, controlling, or preventing risks.
2. Risk Reduction: to improve or to redesign the work system in order to reduce a chance of risk or impact to be at an acceptable level.
3. Risk Sharing: to share or to transfer risk to others for sharing responsibilities.
4. Risk Avoidance: to handle the high risk that departments cannot accept, thus the project/activity is decided to be cancelled.

#### 5. Control

Control means a policy, a guideline, or a practice to reduce risks and to achieve objectives. Control can be divided into 4 types as follows:

1. Preventive Control: an initial control to prevent risks or error.
2. Detective Control: a control method to find defects that raised.
3. Directive Control: a method to control, to support, or to encourage accomplishment according to objectives
4. Corrective Control: a control method to correct an error that occurs or to find a way to prevent it from happening again in the future.

#### 6. Relation of Risk Management

Internal Control and Internal Audit

Objectives of good cooperate governance are monitoring, directing, controlling and supervising the processes for the efficient use of resources to achieve target with cost-effective and economical purpose, resulted in the maximum benefit to the stakeholders. The principle of corporate governance consisted of:

- 6.1 Internal Control
- 6.2 Risk Management
- 6.3 Internal Audit



## 6.1 Internal Control

Internal Control is a work process provided by the executives and human resources department in order to reasonably ensure that these processes have been complied with, so the Company will be able to achieve its objectives. The Company's objectives are mainly:

1. The effectiveness and efficiency in operations.
2. Financial report reliability
3. Law and regulatory compliance

For objective determination, executives will determine the procedure to reach the objectives. Meanwhile, there must be control of the operations of the Company in order to meet the effectiveness and efficiency. These controls are internal control processes, or shortly internal control. Therefore, all departments must have appropriate internal control. The establishment of the internal control system is a duty of the division administrators, who well know where their work is at risk. They should evaluate and create control systems to prevent, correct, and detect risks. The internal controls are usually set out in the form of regulations or manuals, annual risk management manuals, which will improve the efficiency of the Company's operation, prevent a leakage, as well as to make the Company meet the correct and reliability financial statements. The Company eventually grows steadily.

## 6.2 Risk Management

Risk is unexpected or uncertainty events, or a chance of loss or uncertainty, such as natural disaster, corruption, pilferage, IT system damages, legal proceedings, injuries, damages, accident, danger, loss of assets, negative image of the Company and people, uncertainty, failure to protect the rights or dignity, or a loss that cause a compensation. Risk management is a process performed by the Board of Directors, executives and all employees in the Company to assist in the formulation of strategies and operations. The risk management process is designed for the ability to forecast possibility of events that affect to the Company, and the ability to handle the risk to be at an acceptable level to gain reasonable assurance in the achievement of the objectives set forth by the Company. (Source: Risk Management framework: Committee of Sponsoring Organizations of The Tread way Commission: COSO)

## 6.3 Internal Audit

Internal Audit is providing confidence and advice fairly and independently in order to increase the value and improve the Company's operation for its goals achievement by assessment and effective improvement of risk management process, internal audit, and good governance with systematic. The internal auditors are responsible for analyzing and giving advice from the internal audit process. The internal audit process is a mechanism to drive for operation improvements, internal control, and risk management, which



are appropriate to the achievement of the objectives and goals of the Company. Officers sometimes think that the existing control is sufficient, or think that they have expertise from long-time experience, which may cause negligence by ignoring some points that must be controlled. The internal auditors have a method to check that the current control is sufficient to achieve the company goals or not. The audit result will be in the form of an audit report presented to the executives for acknowledgement or consideration. The report contained detecting issues, advice or recommendation when there is a requirement for improvement from the current practice.

## 7. Risk Management Procedure

### 7.1 Overall risk management policy of the company

Policy of management, the Company and all officers realize the objectives for value added creation to the Company with sustainability, focusing on mission to sell quality products, which is the main mission of the company. Therefore, the company pays attention to the prevention of threats, problems, obstacles and damage, causing the Company to be unable to achieve its goals, and may damage the Company and stakeholders. The Company searches for opportunities that create fairness for the business involved, and continually create satisfaction for the stakeholders by using risks and IT management integration for corporate governance.

1.1.1 The Company's culture: the Company encourages all employees to realize the importance of risk management by treating them as a part of the operations until it becomes the Company's culture.

1.1.2 Search for opportunities: to create value added to the Company, the Company will manage opportunities that are uncertain, or events may occur having positive impacts to the Company's objectives, causing the most benefits to the Company to emphasize on the creation of value added to the company and benefits to all stakeholders.

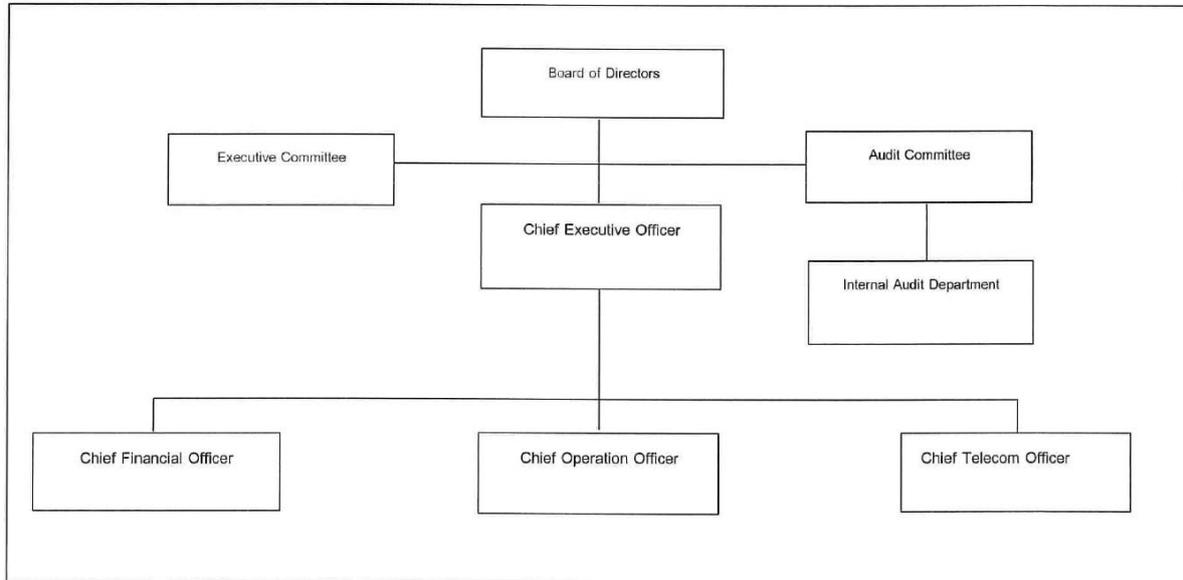
### 7.2 Risk Management Formulation of the Chief Executives

- The risk management must be integrated with systematically and continuously management.
- There must be a formulation of procedures
- There must be monitoring of assessment results of risk management that regularly reviews and updates
- There must be an adoption of IT to be used for good management
- The risk management must be a part of normal operations.



### Overall Risk Management Structure of the Company

Management structure of the Company



#### 7.3 Duty and responsibility according to overall risk management structure

Related person	Duties and responsibilities
Board of Directors	<ul style="list-style-type: none"> <li>- Conduct policies, give advice on the risk management plan of the Company</li> <li>- Support and encourage appropriate operation to handle the risks</li> <li>- Understand risks that may affect the Company, and ensure appropriate action to handle the risks.</li> </ul>
Audit Committee	<ul style="list-style-type: none"> <li>- Supervise and monitor risk independently</li> <li>- Monitor effectiveness of internal audit department and person in charge of risk management of the Company</li> <li>- Review and give advice regarding risk management</li> </ul>
Board of Directors / Chief Executives	<ul style="list-style-type: none"> <li>- Monitor key risks of the Company, supervise to ensure the management will respond to risk by appropriate risk management</li> </ul>



	<ul style="list-style-type: none"> <li>- Encourage risk management policy, and ensure risk management procedures are implemented throughout the Company</li> <li>- Supervise and control risk management by considering objectives determination, assessment, risk management planning and preparation, follow-up report, risk management assessment to meet acceptable risk level, and to comply with changes in both internal and external the Company</li> <li>- Provide risk management to the company using IT system with systematic integration</li> <li>- Appoint a working group or staff to assist in performing the duties as appropriate</li> </ul>
Risk Management Committee	<ul style="list-style-type: none"> <li>- Prepare for draft of policy, strategy, corporate risk management plan, and risk management manuals to comply with risk management procedure to achieve objectives, prepare for news publication, agendas, and presentation, as well as proposed to the executives and the Board of Directors regarding corporate risk management</li> <li>- Determine and report risk related to the operations, participate in risk management plan formulation, and plan implementation</li> <li>- Assess risks from duties</li> <li>- Prioritize risks</li> <li>- Determine risks control activities to be at an acceptable level considering cost and benefit</li> <li>- Be careful for risk factors, propose up-to-date risk issues to directors instantly</li> <li>- Prepare for risk status report to the directors after handling with or resolved risk factors</li> </ul>
Internal Auditor	<ul style="list-style-type: none"> <li>- Support Chief executives and audit committee to monitor the internal management and risk control</li> <li>- Prepare for audit plan and review risk management in each division</li> </ul>





This Risk Management Policy was reviewed and approved at the Board of Directors' Meeting No. 2/2026 held on 25 February 2026 and shall be effective from 26 February 2026 onwards.



Mr. Kittipan Sri-Bua-lam  
Chief Executive Officer

