



RISK MANAGEMENT POLICY

Neo Corporate Public Company Limited

Risk Management Policy

Neo Corporate Public Company Limited and its subsidiary company (“**Companies**”) recognize the importance of risk management which is part of good organization management to drive the organization towards stable growth and business expansion, to have a stable financial position and an ability to generate appropriate returns for the shareholders, and to conduct in accordance with the principles of corporate governance and balance of power in the environment of business competition that the Companies currently have to face and that always changes due to external or internal factors which may affect the ability to achieve the main goals and missions of the Companies.

The Board of Directors and the executives of the Companies consider that it is appropriate to implement a risk management system in the operations of the Companies to ensure corporate governance in order to continually strengthen confidence among shareholders and all relevant parties in the operations, to achieve the objectives and create added values for the Companies. The definition, purposes, policy, and framework of risk management of the Companies are prescribed as follows:

Definitions of risk and risk management

Risks refer to uncertain opportunities/events or things that cause the current plans or operations to not achieve the purposes/goals prescribed and cause a negative impact on the organization, both monetary impacts and impacts to the image and reputation of the organization.

Risk management refers to the process that is undertaken by the Board of Directors, all executives, and personnel in the organization to help establish strategies and in the operations. The risk management process is designed to enable the identification of events which may occur and have an impact on the organization and the manageability of risks to be at the level acceptable by the organization in order to gain reasonable confidence to achieve the objectives prescribed by the organization.

Objectives of risk management

1. To implement, as a single approach throughout the organization, a risk management system that is of international standards, and to prescribe that the risk management is part of the decision making, strategy determination, work plans and operations of the Companies.
2. To prescribe measures and guidelines for the management of remaining risks to be at the level acceptable to the organization, taking into consideration measures to effectively mitigate the chances and/or the impacts of the risks that may occur. That would be a push so that the objectives prescribed by the organization, both at the organizational and department levels, are achievable.
3. To enable the identification of risks or unexpected crisis and to enable the timely and appropriate responses and mitigation of loss and damages to the organization.
4. For the Board of Directors, the Audit Committee, and the executives to be aware of the information on overall risks, significant risks, and risk trends as well as effective and efficient risk management guidelines.
5. For every department to have the duties to identify, assess and manage significant risks on a regular basis, including the cases where there is a significant event,

activity, process and/or project or a material change within the organization, taking into consideration the acceptable level of risk and the practicability with reasonable costs.

6. To ensure regular communication and passing of knowledge on risk management to employees and to improve the employee's understanding and awareness of being a risk owner, as well as to ensure joint risk management under responsible works.
7. To proceed pursuant to the principles of corporate governance and balance of power. The Companies separate the duties relating to risk management from the works that pose risks in order to ensure efficient risk management. The Companies consider that it is appropriate to set up a risk management working group which is assigned by the Board of Directors or the sub-committee authorized by the Board of Directors with regard to risk management to follow up on risk issues and manage the risks in an appropriate and timely manner.

Level of risk

The Companies assess the level of risk by considering the chances of such risk occurring and the impacts if the risk occurs in order to appropriately arrange the risk levels and manage the risks. In this regard, the acceptable level of risks must be ones that occur infrequently and do not have a material impact on the Companies.

Risk management policy

The Companies realize the importance and the necessity to implement a risk management system that is of international standards in its management, aiming to make the Companies an organization that creates customers' satisfaction and provides good returns to the shareholders and all stakeholders and to create a good image and improve the Companies' operations in the same direction throughout the organization. Therefore, the Risk Management Policy is prescribed as follows:

1. The Board of Directors is required to understand significant risks of the business and approve acceptable risks.
2. The Board of Directors is required to oversee to ensure that the Companies identify the risks, taking into account both internal and external factors, which may result in the Companies' inability to achieve the prescribed objectives. It is also required to ensure that the Companies assess the impacts and the chances of the specified risks occurring as to arrange the level of risks and have appropriate risk management procedures as an operational framework in the risk management process in the same direction for everyone in the organization.
3. It is prescribed that risk management is a responsibility of all levels of employees. They must realize the risks associated with the works in their department and the organization and place importance on systematic management of risks in various aspects under internal control to ensure that the risks are at a reasonable and appropriate level.
4. It is required to put in place the organizational risk management process that is in accordance with good standards and international practice as to ensure the effective management of risks that may affect the Companies' operations and the development and operation in terms of risk management in the same direction throughout the organization, where the risk management system is included in the decision making,

strategy planning, work plans, and operations of the Companies. It also aims to achieve the objectives, goals, vision, missions, and strategies that have been set to create operational excellence and build confidence among those involved.

5. Risk limit must be determined to limit potential damages at the level acceptable by the Companies. Events and risk level which are a warning sign must also be determined so that workers take either action to prevent the risk to exceed the risk limit prescribed.
6. Guidelines for prevention and mitigation of the risks from the Companies' operations must be reviewed to avoid potential damages or loss and the risk management results must be monitored and evaluated on a regular basis.
7. Use of modern information technologies in the risk management process of the Companies must be encouraged and developed. Access by all level of employees to the sources of risk management information and news thoroughly must be supported. An effective system must be arranged for the risk management working group to report on risk management of the Companies to the Board of Directors.

Review and update of policy

The Audit Committee shall consider and review the Risk Management Policy at least once 1 year to ensure its consistency with the circumstances. If there would be an amendment to the Risk Management Policy, it must be proposed to the Board of Directors for consideration and approval.

This Risk Management Policy is effective from 31 August 2023 onwards.

(Mr. Virapan Pulges)

Chairman of the Board of Directors
Neo Corporate Public Company Limited