

## **Risk Management and Sustainability Policy**

### **1. Principles and Rationale**

This Risk Management and Sustainability Policy is established as a tool to communicate and promote understanding of the Enterprise Risk Management (ERM) process among executives, employees, and relevant parties of Ornsirin Holding Public Company Limited and its subsidiaries. The objective is to ensure that the Company's risk management operations are aligned with the policies set by the Board of Directors. The risk management process is integrated into internal management processes to drive risk management as an integral part of business operations.

### **2. Definitions**

“Risks” means the possibility of uncertain events or circumstances that may prevent current plans or operations from achieving their defined objectives or targets, resulting in impacts or damage to the organization.

“Risk Management” means a process carried out by the Board of Directors, management, and all personnel within the organization to support strategy formulation and operations. The process is designed to identify potential events that may affect the organization, enabling risks to be managed within acceptable levels, and providing reasonable assurance in achieving the organization's objectives.

“Risk Appetite” means the maximum level of risk that the organization is willing to accept, as approved by the Board of Directors, and used as a basis for risk assessment and management. If any identified and assessed risk is found to exceed the acceptable risk level and may impact the Company or its subsidiaries, the responsible unit must prepare a risk management plan (Action Plan) and report it to the Risk Management and Sustainability Committee for consideration and further submission to the Audit Committee and the Board of Directors.

### **3. Objectives of Risk Management**

1. To enable the identification of risks or unforeseen crises and ensure timely and appropriate responses to minimize potential losses or damages to the organization. Measures and guidelines shall be established to manage residual risks within the organization's acceptable level, by effectively reducing the likelihood and/or impact of potential risks, in order to achieve the organization's objectives.

2. To ensure that the Risk Management and Sustainability Committee, the Audit Committee, and the Board of Directors are informed of and effectively oversee the Company's key risks, with systematic and continuous risk management practices in place.

3. To promote communication and understanding of risk management, foster awareness of risk ownership, encourage collaborative risk management within each area of responsibility, and develop a risk-aware organizational culture.

### **4. Risk Management and Sustainability Policy**

Ornsirin Holding Public Company Limited and its subsidiaries recognize the importance and necessity of adopting internationally recognized risk management systems in their operations. The Company aims to ensure that both the Company and its subsidiaries prioritize risk management to mitigate potential impacts on business

operations, maintain a positive corporate image, and align operational practices across the organization. Accordingly, the Risk Management and Sustainability Policy is established as follows:

1. Risk management shall be the responsibility of employees at all levels, who must be aware of risks in their respective functions and across the organization. Emphasis shall be placed on maintaining adequate and appropriate risk management and internal control systems.

2. The Company shall implement an enterprise risk management process in accordance with internationally accepted best practices to ensure effective management of risks that may impact the operations of the Company and its subsidiaries. Risk management shall be consistently applied across the organization and integrated into strategic planning, business planning, and operational decision-making, with a focus on achieving the Company's objectives, goals, vision, mission, and strategies, as well as enhancing operational excellence and stakeholder confidence.

3. The Company shall establish measures to prevent and mitigate risks arising from its operations and those of its subsidiaries to avoid potential losses or damages, including regular monitoring and evaluation of risk management performance.

4. The Company shall promote and enhance the use of modern information technology systems in the risk management processes of the Company and its subsidiaries, and support personnel at all levels in having access to risk management information, as well as establish efficient risk reporting systems.

## **5. Risk Categories**

The Company classifies the risk categories of the Company and its subsidiaries in alignment with the Risk Management and Sustainability framework as specified in the Charter of the Risk Management and Sustainability Committee, to ensure consistency and maximize effectiveness in controlling and managing organizational risks. The framework covers six key risk categories as follows:

- 1) Financial Risk
- 2) Operational Risk
- 3) Strategic Risk
- 4) Compliance Risk
- 5) ESG Risk
- 6) Emerging Risk

## **6. Roles and Responsibilities in Risk Management**

### **1. Board of Directors**

Responsible for establishing policies and strategic direction of the Company, and overseeing that the Company has effective and efficient risk management systems. The Board ensures that management places importance on risk management and embeds it into the organizational culture.

### **2. Audit Committee**

Responsible for reviewing financial and accounting reporting systems, internal control systems, internal audit systems, and risk management systems, including anti-corruption policies and measures, to ensure adequacy and compliance with international standards, applicable regulations, and laws, and reporting to the Board of Directors.

### **3. Risk Management and Sustainability Committee**

Responsible for establishing guidelines for risk management and sustainability, reviewing and approving the risk management framework for implementation, monitoring risk management performance, promoting awareness and understanding of risk management among employees at all levels, and ensuring practical implementation throughout the organization. The Committee also provides recommendations and advice to management and reports to the Audit Committee and/or the Board of Directors.

### **4. Risk Management Team, Chief Executive Officer, and Management**

Responsible for implementing risk management and sustainability systems in accordance with policies and guidelines set by the Board. This includes defining strategies, developing and monitoring enterprise-wide risk management plans, assigning risk ownership (Risk Owners), determining risk appetite for submission to the Board of Directors for approval, promoting a risk-aware organizational culture, and reviewing the appropriateness of systems and measures, such as anti-corruption measures, in line with changes in business operations, regulations, and applicable laws.

### **5. Risk Owners**

Responsible for identifying, assessing, and analyzing risks, establishing standards and activities for risk mitigation, conducting cost-benefit analyses of mitigation options, monitoring risk management performance, and reporting to the Chief Executive Officer and the Risk Management and Sustainability Committee.

### **6. Risk Management Function**

Responsible for developing effective and efficient risk management systems, providing guidance, consultation, and training to enhance understanding of risk management, fostering a risk-aware culture, coordinating and monitoring risk management performance from Risk Owners and relevant parties, and preparing risk and sustainability reports for management, the Risk Management and Sustainability Committee, the Audit Committee, and/or the Board of Directors, as assigned. The function also supports the effective operation of the Risk Management and Sustainability Committee.

### **7. Internal Audit Function**

Responsible for auditing and reviewing operational processes to ensure compliance with the Company's policies, procedures, best practices, and applicable laws and regulations, and to ensure that the Company has adequate and appropriate internal control and risk management systems, and reporting to the Audit Committee.

Effective from 1 June 2025 onwards.