



Risk Management Policy

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1. Introduction

Siam East Solutions Public Company Limited recognizes that risk management is an integral part of good corporate governance, which serves as a crucial foundation for achieving the company's objectives. Identifying and managing risks help support better decision-making, enhance opportunities, and mitigate the impact of significant events that may affect shareholders.

Risk refers to the possibility of an event occurring that may impact the company's objectives. Risk can be measured based on its potential impact and the likelihood of occurrence.

2. Objectives

The Risk Management Policy ("this policy") aims to:

1. Establish a consistent framework for the company's risk management process to be implemented throughout the organization.
2. Ensure that roles and responsibilities for identified risk controls are appropriately assigned.
3. Enable the company to manage potential risks effectively.
4. Focus on proactive and corrective risk management with speed, transparency, accuracy, and consistency.
5. Promote and develop risk management knowledge, understanding, and participation among employees and executives at all levels.
6. Prepare documentation, regulations, and operational procedures while ensuring strict compliance.

3. Scope

This policy applies to all company operations, including all executives and employees.

4. Risk Management Policy

1. The company operates within an acceptable level of risk to achieve its objectives and meet stakeholder expectations. Risk management is integrated into the annual business planning process, daily operations, decision-making, and project management processes.
2. All executives and employees of the company are responsible for their respective risks. They must identify and assess the risks within their areas of responsibility and implement appropriate measures to manage them.
3. Risks that impact the achievement of the company's objectives must be managed as follows:
 - Identify risks in a timely manner.
 - Assess the likelihood of risks occurring and their potential impact.
 - Manage risks in accordance with the company's established risk management guidelines (as outlined in Appendix 1), considering the associated costs and benefits of risk management.

- Monitor and ensure that the company's risks are appropriately managed.
4. Risks that may significantly impact the company's business plans and strategies, particularly those classified as high or very high risk, must be reported to the Executive Committee, the Audit Committee, and the Board of Directors.

5. Roles and Responsibilities

1. The Board of Directors is responsible for overseeing the overall risk management within the company.
2. The Audit Committee supports the Board of Directors by ensuring that the risk management system is appropriate and effective.
3. The Executive Committee is responsible for reviewing and assessing the company's risk management and internal control systems.
4. The Chairman of the Executive Committee is responsible for implementing this policy and ensuring its continuous enforcement through the Risk Management Committee, which consists of key company executives and is chaired by the Chief Executive Officer (CEO).
5. The Risk Management Committee is responsible for ensuring that significant business risks are consistently identified, assessed, and effectively managed. Its responsibilities include:
 - Developing the risk management policy, strategies, and guidelines for submission to the Board of Directors for approval.
 - Reviewing the risks and risk management measures proposed by the respective risk owners and providing recommendations for improvement.
 - Overseeing the effectiveness of the company's risk management process through continuous monitoring and assessment.
 - Reporting high and critical risk levels to the Chairman of the Executive Committee, the Executive Committee, the Audit Committee, and the Board of Directors.
 - Regularly reviewing the risk management policy.
6. The Internal Audit Department is responsible for reviewing the effectiveness of internal controls through annual internal audits, assessing key business processes based on risk factors, and monitoring corrective actions for identified deficiencies.
7. All executives and employees are responsible for identifying, analyzing, assessing, and prioritizing risks within their respective areas and implementing appropriate risk management measures.

6. Policy Review

The Risk Management Committee must review this policy annually and submit any proposed changes to the Audit Committee and the Board of Directors for approval.