Approved by:

Resolution of the Board of Directors Meeting No. 8

Dated 12 November 2025 (Agenda 7)

Risk Management Policy

of

Sermsang Power Corporation Company Limited and its Subsidiaries

The Company has set risk management policies for the entire organization by appointing a risk management committee to carry out the duties of reviewing policies and assessing various risks created from external factors and internal factors. Additionally, the committee is tasked with the establishment of guidelines towards the management of risk for the purpose of maintaining acceptable levels, and with the communication and arrangement of operations training seminars for officers, in order to create awareness on the importance of risk management. The risk management committee may consider the appointment of persons and/or work groups to proceed with these various work tasks, as assigned and deemed appropriate by the risk management committee. This will allow the aforementioned persons and/or work groups to operate, follow up on, and report to the risk management committee, such that the risk management committee may be informed of the compliance of the Group Company to the risk management policies. Furthermore, the Group Company has the following risk management policies:

1. To endorse a culture of risk management in order to construct understanding, conscience, and mutual responsibility in matters concerning risk, control, and risk impacts on the Group Company, in the administrative and operational processes of the entire Company group. To promote risk management culture to have the same understanding, cultivate consciousness, mutual responsibility in matters concerning risk, control, and impacts on the administration and operation of the Group Company.

2. To have the procedures, guidelines, and methods for risk management that possess universally appropriate and sufficient quality, including the continuous and consistent indication, analysis, evaluation, ordering, management, control, follow-up, reporting, assessment, and communication of risk-related data, operating for the entire Company group.

3. To have risk measurements, both in qualitative aspects, such as the reputation and image of the Group Company, and quantitatively, such as the loss, decrease in revenue, or increase in expenses, calculated from feasibility and impacts. To have risk assessment in both qualitative aspect, such as the reputation and image of the Group Company, and quantitative aspect, such as the profit and loss, decrease in revenue, or increase in expenses. The assessment covers both probability and impact.

4. To implement risk ceilings (Risk Limits) to limit the extent of damage that might occur to be within acceptable levels for the Group Company. This includes the specification of events or risk levels which may serve as warnings (Warning Signs) that will signal workers to proceed in such a way as to prevent risks from exceeding their determined limits.

5. To have a written operating procedure that will guide executives and workers to function under, which will control risks caused by operational activities.

The Group Company's Risk Management Procedure is as follows:

1. Setting the policies and criteria for risk management

This is a formulation of the policies, purposes, limits, responsibilities, and methodologies for risk management, such that it is in accordance with the present strategies, targets, plans, and business directions. The Group Company will provide an annual review and arrange this formulation alongside its business plan for the sake of synergy.

2. Risk identification

This is an identification of risks that may impact the achievement of goals and targets, bearing in mind the risks that may be caused by internal and external factors, such as by the environment, law, finance, information systems, decision-making information systems, investor satisfaction, invested capital management, fame and image, and security systems. The Group Company will manage risks by prioritizing them before considering control systems: should the risks fall under the "high" and "very high" priorities, the Company will bring these risks under analysis for further management.

3. Risk analysis

This is an analysis to assess the levels of remaining risk subsequent to the evaluation of existing control systems, and a prioritization in order of importance of these risks. Should any risks remain in the "high" or "very high" levels, measures for managing these risks must be immediately established by the responsible high-level

executives. Should any risks remain in the “moderate” or “low” levels, management measures will be assigned on the departmental level, or resolved during work operational procedures.

4. Risk management

This is a formulation of planning methods to manage significant risks, as prioritized by their levels during the risk analysis procedure. Risk management occurs under many methods, such as control, risk transfer, risk avoidance, risk exploitation, or risk acceptance.

5. Results monitoring and review

These are steps for the review of risk management results which were made under the specified plans. They include the evaluation of results from risk management, which the risk management committee will monitor and report to the high-level management and the board of directors.

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(Mr. Varut Tummavaranukub)

Chief Executive Officer

Sermsang Power Corporation PLC