

Risk Management Policy

SCG Ceramics Public Company Limited (or “the company”) places great emphasis on the Enterprise Risk Management Framework. Thus, the company has implemented a risk management framework in alignment with international standards and integrated it into the corporate business operations. This allows the company to identify expected risks or business opportunities in the future whether it has happened or will happen in an appropriate and timely manner in an attempt to achieve the established strategy goals, meet the expectations of stakeholders, promote the sustainable business operation, and comply with the good corporate governance principles. The company has implemented risk management framework:

1. The Risk Management Committee is to oversee and ensure that the company has systemic risk management on environment, society, corporate governance, and economy. Moreover, they should evaluate risks that can impact the company’s visions, goals, or business strategies, and introduce risk mitigation measures to continuously reduce risks to an acceptable level.
2. The Risk Management Committee established the Risk Management Framework and the Risk Management Process which are effective, efficient, and in accordance with the international standards to be used in organization and taken into account when making business strategies, plans, operations, and investments decisions.
3. The Risk Management Operation Committee served as the Risk Owner, identifying risks, analyzing and evaluating chances and effects of the risks. The Committee also established business strategies and managed risks in balance, including managing business continuity within efficient and effective resource allocation.
4. The Company cultivated the risk management culture as a part of organizational culture in employees as well as stakeholders, allowing every executive and employee to improve their expertise in risk management. Moreover, the company also promoted adopting advanced technology to cooperate with the risk management process of the company.
5. The Company followed up, reviewed, and reported on effectiveness of risk management and important warning signs to the Audit Committee and the Board of Directors regularly.
6. The Company reviewed the Risk Management Policies regularly, keeping in mind the significant change to the organization.

The executives and personnels have duties to follow the Risk Management Policy, the Risk Management Framework, and the Risk Management Process as established by the company.