Document	Risk Management Policy
Document No.	PROUD/LC/POLICY009
Effective Date	24 February 2025

Risk Management Policy

Proud Real Estate Public Company Limited and its subsidiaries (the "Company") recognise the importance of risk management based on the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) to ensure systematic and effective risk management. The Company analyses and assesses risks that may affect its business operations, covering strategic, operational, financial, and compliance risks, with particular emphasis on compliance risks relating to good corporate governance requirements and applicable laws. The Company also recognises the importance of environmental, social, and governance (ESG) risks to support sustainable business operations. These risks cover compliance with environmental standards, community care, and transparent management practices.

Purpose

This Risk Management Policy has been established to provide guidelines for systematic and effective risk management covering all risks that may affect the Company's business operations. The Policy supports the achievement of the Company's strategic objectives, reduces risks, and increases opportunities to create value for the Company.

Guidelines

1. **Oversight by the Risk Management Committee**

   The Risk Management Committee is responsible for overseeing the risk management activities of the Company and its subsidiaries. The Committee reviews and provides comments on risk strategies and policies and monitors risk management performance to ensure that risks are managed systematically and in line with the Company's objectives. The Committee also provides ongoing guidance and recommendations to improve the effectiveness of risk management across all areas.

2. **Risk Appetite**

   Risk Appetite is the maximum level of risk that the Company is willing to accept at the organisational level. It is determined by management under the oversight of the Risk Management Committee and is used as a basis for risk assessment and risk management. Where the analysis and assessment of any risk indicate that its potential impact on the Company may exceed the Company's Risk Appetite, the relevant risk owner shall prepare a risk management action plan and report it to the Risk Management Committee.

3. **Risk Assessment and Management**

The Company shall assess risks that may affect its business operations in four main areas: strategic, operational, financial, and compliance risks. The assessment shall cover both external and internal factors that may hinder the achievement of business objectives. The Company shall establish appropriate risk management plans to reduce potential impacts and support business continuity. The Company shall also assess environmental, social, and governance (ESG) risks. Environmental risk assessment covers measures to reduce environmental impacts. Governance risk assessment also covers regulatory compliance and anti-corruption. The Company has a clear policy against fraud and corruption at all levels. The Company is committed to conducting its business with transparency and good corporate governance and has zero tolerance for fraud, corruption, or any conduct that violates ethical principles.

4. Risk Tolerance

The Company shall assess the impact and likelihood of identified risks and determine appropriate risk management measures to ensure that risks remain within acceptable levels (Risk Tolerance). This process shall also consider risk factors relating to the Company's subsidiaries and investments within the Group to ensure that risk management remains aligned with the Company's long-term objectives.

5. Use of Approaches and Tools for Risk Assessment, Monitoring, and Reporting

The Company shall consider the use of appropriate approaches and tools for the assessment, monitoring, and reporting of risk management performance to ensure that they are adequate and appropriate. Risk management results shall be presented to the Risk Management Committee for comments to support appropriate improvements to risk management approaches.

6. Role of Employees in Risk Management

All employees are responsible for risk management at every level of the organisation and shall comply with the established risk management guidelines and measures. The Risk Management Committee and relevant units shall provide support and guidance to ensure that risk management is implemented effectively throughout the organisation.

7. Policy Review

The Risk Management Committee shall regularly review the appropriateness of this Risk Management Policy, at least once a year, to ensure that its content remains aligned with the Company's risk management objectives and strategies.

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This revised Policy was considered and approved by the Board of Directors at its Meeting No. 2/2026, held on 25 February 2026.

Issued on 25 February 2026

(Mr. Anuwat Maytheewibulwut)
Chairman of the Board
Proud Real Estate Public Company Limited