



Risk Management Policy

Sri Trang Gloves (Thailand) Public Company Limited (the ‘Company’) recognizes the importance of a good governance which would contribute to sustainable success of the organization, including the preparedness of the Company to respond to the ever-changing internal and external factors which could have a possible impact on its ability to achieve goals.

In the complicated and ever-changing business environment, the Company adopts a risk management system in developing its strategies, management and improvement of operations to enhance potentials, business opportunities and added value of the organization, and to achieve its objectives. All levels of employees are required to be responsible for observing risk management as the corporate culture.

Risk management vision

The Company and its Group will strive to an organization with integrated risk management which will be used in supporting the management and the creation of add value for the organization.

Definition of risks and risk management

Risk means ‘uncertain circumstances which may, upon becoming materialized, cause adverse impact on the operation resulting in the Company not achieving its objectives’

Risk management means ‘processes in which risks are identified, assessed and managed to be at the level that is acceptable to the organization based on the risk management framework defined by the company to ensure that it can achieve its defined objectives or strategies and create business opportunities for the company itself and affiliates.’


Objectives of risk management

1. To adopt a unified risk management practice throughout the organization and to include risk management as part of decision making, strategizing, business plan laying and business operations of the Company.
2. To determine guidelines on managing the risks to be at the level that is acceptable to the organization taking into consideration measures to efficiently reduce possibilities and/or impacts of risks to allow the Company to achieve the defined objectives both at the level of organization and work unit.
3. To allow executives and risk management committee access to information on material risks, tendencies of risks and overall risks including to efficiently and effectively manage risks of the Company.
4. To ensure that all work units regularly identify, assess and manage material risks taking into consideration the acceptable level of risks and practicability at appropriate cost.
5. To promote regular communication and education on risk management for employees and to promote understanding and ownership of risk management for employees as well as to promote joint management of risks under their scope of work.

Risk management policy

1. The Company requires all levels of employees to be aware of possible risks associated with the performance of work within their work unit and within the organization, and to recognize the importance of risk management to keep risks at acceptable level under the internal control system.
2. The Company promotes and encourages the use of risk management as an important management tool of the Company. All levels of personnel within the Company are required to understand and collaborate the use of risk management to create a good image of the Company and to promote the good corporate governance and excellent management while promoting trusts among shareholders or stakeholders of the Company.
3. The Company puts in place a risk management system that is efficient and integrated in accordance with the principle of good corporate governance. Risk management matters will be efficiently reported to the Risk Management Committee to reduce possibility of risks and their impacts including uncertainties associated with the overall operations and to improve chances of success.
4. The Company promotes and encourages the creation of risk management as the Company's corporate culture by requiring all parties to become aware of the importance of risk management.
5. All employees have the duties to comply with risk management system and procedures at the level of the organization, work units and at operational level in accordance with the direction given by the Risk Management Committee.
6. The Risk Management Committee and executives monitor, follow up and evaluate the appropriate implementation of risk management system of the Company.

The Board of Directors considered and approved this Risk Management Policy in the Board of Directors' meeting No. 4/2019, which was held on 24 July 2019. The Risk Management Policy shall come into force as from 24 July 2019.


(Mr. Prakob Visitkitjakarn)
Chairman

Sri Trang Gloves (Thailand) Public Company Limited