Risk Management Guidelines

With the current volatile and uncertain business conditions. Systematic and effective risk management will enable the Company to reduce potential losses and increase business opportunities, which will lead to the creation of added value for the Company.

The Company's risk management is under the supervision of the Board of Directors through the Audit Committee. Risk management has been integrated into the Company's business operations. From the strategic stage to the operational level. To ensure effective risk management, the Company has established a Risk Management Committee chaired by the Chief Executive Officer to monitor risks and management results in accordance with the risk mitigation plan in all business units, as well as report the performance to the Audit Committee and the Board of Directors on a quarterly basis. In addition, the Company regularly reviews its risk appetite to align with the organization's strategy.

At the operational level, each business unit must carry out the identification. Assess, respond, and monitor risks by determining key risk indicators and reporting to the organization's risk management department on a quarterly basis. The Company stipulates those environmental issues. All business units with high ESG risks are required to prepare a risk management plan so that risk management is part of operations at all levels, as well as to raise awareness among employees through various communication channels such as e-mails, meetings and events.

Strengthening Risk Management Culture

The Company aims to promote a risk management culture throughout the organization to ensure stable and sustainable growth.

1) Risk Governance: The Company supervises risk management through the formulation of an acceptable risk level policy and risk management framework, as well as expanding the impact of risk management in concrete ways through the formulation of regulatory guidelines within the Company.
2) Leadership: The Board of Directors and management support and prioritize risk services and closely monitor the progress of risk management.
3) Risk Management Structure:
    - 3.1. There is a comprehensive risk management structure at all levels and roles and duties are defined to able to practices at all levels.
    - 3.2. The Board of Directors assigns the Risk Management Committee to oversee risk management through the formulation of risk management policies at acceptable risk levels as well as a risk management framework.
    - 3.3. Risk Management Committee, Risk management unit and Internal control system play a role in implementing the Risk management policy as approved by the Board of Directors.

3.4. Appoint a GRC Partner to advise on GRC, identify deficiencies, and propose and drive improvements to strengthen GRC in each business unit and/or key unit.

Driving Risk Management System

1. Creating a corporate risk culture

Executives announce key risk issues to employees to raise awareness of the importance of business risk issues. In addition, activities are created to promote risk management knowledge to be used in joint risk management in the organization, such as organizing workshops on the implementation of risk management in hospitals.

2. Risk Governance

2.1. Risks from the workplace

To build confidence for patients and patients in hospitals from the standards of safety standards certified by the Joint Committee International ("JCI") that have been certified continuously for many years.

2.2. Enterprise Risk

To ensure business management with continuous certification standards from the Joint Committee International ("JCI") and implement risk management mechanisms for the organization.

3. Risk Management Process

3.1. Identify risks: Create a risk culture and consider risks from external and internal factors that affect the organization.

3.2. Risk Assessment: Consider the potential impact on the company's culture.

3.3. Respond to risks: The risk working group jointly manages to respond to risks to an acceptable level.

3.4. Monitor and report risks: Implement risk response processes to mitigate impacts and report risk indicators.

3.5. Raise awareness of risk communication: Encourage everyone in the organization to adopt risk mitigation processes and create a culture in the organization.

New Potential Risk Management

1. Clinical risk

1.1 Reduce service risks: Provide service training for personnel to create experience and satisfaction of service users.

1.2 Operational Risk Reduction: Patient safety control takes proactive action by identifying trends to reduce litigation risk.

2. New Potential Risk Management

2.1 Risk of personnel resignation: Nowadays, the hospital business is highly competitive, causing personnel to leave to work at new establishments. Hospitals recognize the importance of personnel, so current employment contracts offer benefits that attract more employees. The Company will

manage benefits and make clear and accurate overtime payments. Verifiable, including suitability of the work.

2.2 Risk of data leakage: Information within every sector of the organization is important, so the officer who has to protect the data must perform their duties in relation to the Personal Data Protection Act (PDPA).

3. ESG Risk Management

3.1. Governance: Management under good corporate governance rules.

3.2. Social aspects: Provide equality to stakeholders both inside and outside the organization.

3.3. Environment: Organize activities to reduce environmental risks, such as reducing waste, reducing plastic consumption, reducing water consumption, and saving energy.

4. **Financial Risks:** Sustaining net profit growth strategies to increase hospital revenue, liquidity risk management, investment risk, and budget to shareholders reduce unnecessary expenses.

5. **Marketing strategy risks:** Develop an aggressive marketing plan based on patient type, analyze the behavior of service users appropriately.

6. **Operational Risks:** Focus on patient safety and trust, treatment standards and patient information management, including communication between patients, patients' families and healthcare providers.

7. **Information Risk:** Strictly manage information security regulations, websites, and related laws to prevent cyber theft, such as organizing cyber security training to receive information about cyber security through open chat National CERT NCSA.

8. **Legal and regulatory risks:** The main ones are laws related to medical businesses and hospitals or the personal data protection act and related regulations or requirements such as debt collection and land tax to build reputation and credibility.

Business Continuity Management Approach

The Company develops a business continuity management system based on international standards such as ISO 22301:2012, which covers related processes, including identification of key business units, business impact analysis, risk assessment, preparation of business continuity plans, and drills based on business continuity plans. The Company has established a business continuity management team (Crisis and emergency management).

The Company conducts plan drills at each level at least once a year, such as Sikarin Public Company Limited (Head Office). Exercises are scheduled at the national and corporate levels every year, conducted alternately, conducting drills of business units in each country. The Company aims to continue conducting annual drills and is in the process of expanding operations to cover all business units by 2025. The Company aims to increase the coverage of key business units conducting annual drills to more than 50% by 2025.

Example of a plan to support computer outages