



CP ALL Public Company Limited
Risk Management Policy Announcement
Doc. No. RISK. 001/2019

CP ALL Public Company Limited and all subsidiaries (hereby with “the Company”) have substantially arranged comprehensive associated risk management. The Board of Directors, executives, and employees are classified as risk owners with role and responsibility in studying, analyzing, evaluating level of opportunities and impacts that may occur on the Company's business operations, and finding measures to limit, prevent, and control the risk in order to be in line with the Company's objectives, goals, and company's strategies. In this regard, the risk management policy and guideline have been reviewed at least once a year, including the provision of information technology systems to support risk management to be more efficient.

1) Objective

- 1.1) To implement the risk management system in the same way throughout the organization and set the risk management as a part of decision making in determining strategies, plans, and operations of the organization.
- 1.2) To specify the risk management guidelines to an acceptable level by considering measures to reduce a chance of risk and/or the impact of potential risks effectively.
- 1.3) To inform the Boards, Executives, and Committee of risk management on the information regarding important risks, as well as effective and successful risk supervision.





2) Scope

The policy applies to CP ALL Public Company Limited and all subsidiaries under the Charoen Pokphand Group's retail and distribution business, excluding Siam Makro PCL. and its subsidiaries.

3) Roles and Responsibilities

3.1 Board of Directors

3.1.1. Overseeing the risk management and provide independent recommendations for critical risks.

3.1.2. Establishing a risk management policy and consider important risk factors that may occur, including risk management guidelines and follow-up performance of that risk mitigation plan.

3.2. Executive Committee

3.2.1 Defining the risk appetite to consider challenges and achieve strategic goals and create added value at the organization's level of expectations (Goals).

3.2.2 Sustainably integrating and linking of risk management with internal control.

3.2.3 Determining a risk management policy and considering important risk factors that may occur, including risk management guidelines and continuously follow-up the performance.

3.3. Risk Management Committee

3.3.1. Establishing a risk management framework and encourage all divisions to comply efficiently.

3.3.2. Assessing and monitoring the risk management results of the CP ALL group.

3.3.3. Compiling summary and risk management reports to the Board of Directors and the Executive Committee.





3.4. Risk Manager

3.4.1 Reviewing the significant risks of the division every time there is a change of the related risk factors and provided a suitable risk management plan.

3.4.2 Efficiently encouraging and promoting the risk management process of the division and the organization in order to find new risks or disaster consistently and in time.

3.4.3. Defining the Risk Appetite to achieve the targets of division and in accordance with the organization.

3.5. Risk champion

3.5.1. Managing to identify, review, analyze, and prepare the risk profile of division or related division for the risk manager to consider and present to the risk management committee.

3.5.2. Supporting Division/Unit's a Business Continuity Management plan (BCM) planning to be consistent with the organization and company subsidiary's BCM plan.

3.5.3. Coordinating with the Risk Management Committee to attain the established risk management policy.

3.5.4. Operating risk management as assigned by the Risk Manager.

3.6. Internal Audit

3.6.1. Follow up and review to ensure that the Risk based Audit is carried out and there is an appropriate risk management of the organization.

3.6.2. Review the control activities of the department.





3.7. Risk Filter Team

3.7.1. Analyzing and verifying data, situations, trends, and risks that may affect the business.

3.7.2. Screening risk topics with experts to consider upgrading to a significant risk at the level of division or organization.

3.7.3. Following and reporting important alarms to inform the risk management committee and the high level executive to make decisions efficiently and in a timely manner.

3.8. Risk Management Unit

3.8.1 Drafting and presenting the policy framework, operational framework and risk management process to the risk management committee for screening.

3.8.2. Preparing an overview report (Consolidated Report) regarding the implementation of the risk management system.

3.8.3. Coordinating with relevant unit to operate in accordance with risk management systems such as risk assessment, preparation of risk management plan, monitoring, evaluation, and reporting the effectiveness against plan.

3.8.4. Coordinating for communication, raising awareness, training, or constructing awareness on risk management with various divisions.

3.8.5. Acting as a risk management consultant with relevant divisions.

3.8.6. Coordinating and making reports for communication on risk management issues both inside and outside the organization.





The Company will report the results of risk management especially, critical risk topics that potentially affect the financial status, performance, governance, sustainability, and corporate image undermine the trust of customers, investors, and relevant parties to the Board of Directors on a regular basis, as well as seeking improving guidelines to continually the effectiveness of risk management.

In the event that there is a change of urgency, the risk management unit will arrange for a risk review to determine important control measures and report a special agenda to the Executive Committee immediately.

Effective on July 1st, 2019

Announced on July 1st, 2019

