

(Translation)

**LAO PEOPLE'S DEMOCRATIC REPUBLIC
PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY**

EDL-Generation Public Company



No:5164 /EDL-GEN
Vientiane, Date:16 Dec 2025

**The Risk Management Policy of EDL-Generation Public Company
(Amendment 1st)**

- Pursuant to The Risk Management Policy of EDL-Generation Public Company No.0473/EDL-GEN dated 18 February 2022

1. Introduction

EDL-Generation Public Company Limited (EDL-GEN) is a public company that places strong emphasis on risk management as an integral part of corporate governance and management. Risk management serves as a fundamental basis enabling the Company to effectively achieve its organizational goals and objectives. In this regard, the Company has identified and managed risks for decision-making, enhance the identification of opportunities, and mitigate the potential impacts of risks that may arise and affect the company, investors, and shareholders.

Risk refers to the opportunity or possibility that an event may occur and affect the achievement of the company's strategies and business objectives. Such events may result in both positive and negative impacts on the organization's management. These impacts may be reflected in financial or budgetary terms, or may affect the company's credibility and reputation.

2. Objectives

The objectives of this Risk Management Policy are as follows:

- To establish a risk management process that is complied with standard operation procedure and consistent with the Company's internal management.
- To promote risk management as a key component embedded in all business processes of the Company, whereby all internal sections are responsible for implementing appropriate risk control measures and managing risks within acceptable levels to ensure that the implementation can achieve the objectives and targets established by the Company.
- To ensure that all managements and employees comply with the company's risk management policy and the organizational risk management standard operating procedures (SOPs), including the reporting of risk management results, as well as the review and continuous improvement of risk management effectiveness management to ensure that operations achieve the company's goals and missions.

3. Scope

This policy shall apply to all internal management processes of the Company, including the Board of Directors, all management levels and-staff of the Company

4. **Risk Management Policy**

- Risk management is designated as a responsibility of all employees, who are required to consider risks associated with the organization, including at the department, hydropower plant, division, and unit levels. All employees shall emphasize the managing various types of risks through the systematic implementation of risk control processes to ensure that risks remain within acceptable levels.
- The company shall implement risk management processes and its subsidiaries in accordance with international standards—ensuring that risks which may affect the Company are effectively and that risk management practices are consistently applied across the organization.
- The risk management system shall be fully integrated into the Company’s decision-making, strategic planning, and operational action plans to support the achievement of the Company’s goals, vision, mission, and strategies, and to ensure effective implementation while enhancing confidence among contractual partners and other relevant stakeholders.
- To determine appropriate risk prevention and mitigation measures by the company’s management to avoid or reduce the risk impact or livelihood. Furthermore, risk management shall be continuously monitored and evaluated.
- Internal audits shall be conducted in relation to risk management processes to ensure their accuracy, adequacy, and effectiveness.
- Risk management training programs must be provided to employees to enhance competencies, strengthen knowledge, and improve the ability to identify, analyze, and apply new information in accordance with standard operation procedure.
- To promote the use of modern technology systems in the company’s risk management processes, enabling employees at all levels to access risk management information. Furthermore, to establish an effective and timely risk management reporting system for submission to the Risk Management Committee.

5. **Risk Management Process**

- The Company has organizational structure and defined roles and responsibilities for risk management, while also fostering an organizational culture that ensure employees have the knowledge and understanding of risks that may affect the Company’s business operations.
- The Company has a strategic planning and integrates risk management principles into the development of its corporate strategy. In addition, business objectives are determined in alignment with acceptable risk levels.
- The Company maintains communication, coordination, and consultation with relevant parties throughout the risk management process for decision making.
- The Company has a process to identify and assess risks that may affect its strategic and business objectives. Such risks are prioritized based on their level of impact and likelihood of occurrence, with appropriate risk ranking and the establishment of suitable risk response measures or risk management plans
- The Company regularly reports on and reviews the implementation of its operations to assess the effectiveness of risk management and to continuously improve the risk management process

6. Policy Review

The Management shall review this policy annually, or as deemed necessary, and submit it to the Risk Management Committee for consideration and approval in the event of any amendments or changes.

This Risk Management Policy shall be implemented and be binding upon management at all levels and all employees of EDL-Generation Public Company, and shall take effect from the date of signature.

The Chairman of the Board Director

-Signature and Company Seal Affixed-

Soulivath SOUVANNACHOUMKHAM