

(Translation)

Internal Control Policy

Eastern Water Resources Management and Development Public Company Limited

Eastern Water Resources Management and Development Public Company Limited (the Company) places great importance on its internal control system by implementing internal controls in accordance with the internationally recognized framework of The Committee of Sponsoring Organizations of the Treadway Commission (COSO), to achieve the three objectives of internal control as follows:

1. Operations: To ensure efficiency and effectiveness in operations and optimal utilization of resources, including safeguarding assets against fraud.
2. Financial Reporting: To ensure accuracy, reliability, and timeliness of financial reporting.
3. Compliance: To ensure proper adherence to the company's policies, regulations, and applicable laws.

Additionally, the Company promotes effective management in accordance with the Three Lines of Defense model, which integrates the roles of operational units (1st Line of Defense), oversight functions (2nd Line of Defense), and audit functions (3rd Line of Defense). The internal control policy is as follows:

1. Control Environment

- (1) Establish a clear organizational structure, define the chain of command, and clearly separate duties and responsibilities.
- (2) Establish clear policies, objectives, and business directions, as well as oversee corporate governance to ensure alignment with set goals. Additionally, communicate these to management and employees at all levels.
- (3) Develop and communicate the company's policies, rules, and regulations to serve as guiding principles for operations and to prevent damage or negligence in performing duties.
- (4) The Group has established good corporate governance principles, a Code of Conduct, and an anti-corruption policy to ensure that directors, executives, and employees at all levels act appropriately and ethically. These policies are communicated through various

channels to ensure awareness among all directors, executives, and employees. Furthermore, the Company organizes activities to enhance understanding and foster a corporate governance and anti-corruption mindset among directors, executives, and employees at all levels.

(5) Develop clear Job Descriptions and Instruction Manuals to serve as tools for performing duties and to prevent redundancy or neglect in any aspect of work.

(6) Provide competency development training to employees to equip them with the necessary knowledge, skills, and abilities to effectively perform their duties, achieve organizational goals, and prepare for higher responsibilities.

(7) The Company has established an Audit Committee responsible for overseeing corporate governance and performing duties as assigned by the Board of Directors. Additionally, an Internal Audit Department has been established, recognizing that internal audit is a critical mechanism to enhance the effectiveness of internal controls and to increase awareness and caution among audited units in their operations. Internal auditors must maintain sufficient independence to report audit findings and evaluations to management and those responsible for the audited operations. They should also receive appropriate support from management.

2. Risk Assessment

The Company places great importance on risk management by appointing a Risk Management Committee responsible for establishing risk policies and defining the scope of acceptable risk for the organization. The committee also oversees the proper and effective implementation of risk management. Furthermore, the Company has developed a risk management policy and an organizational risk management manual, which are communicated to all departments to ensure consistent implementation across the organization.

The Company's internal audit focuses on Risk-Based Auditing by assessing risks within operational processes and selecting high-risk processes for audit planning. This approach enhances the effectiveness of the audit.

Furthermore, the Company instills risk management awareness into the mindset of employees at all levels, fostering it as part of the organizational culture.

3. Control Activities

The Company establishes an internal control system that is sufficiently effective and efficient, focusing on preventive, detective, corrective, and compensatory control activities. These controls help reduce potential damage and errors and ensure the

achievement of internal control objectives. Examples include policies, plans, budgets, procedures, organizational structure, segregation of duties, and authorization limits. All directors, executives, and employees at every level are required to cooperate and strictly comply with the announced rules and regulations.

4. Information and Communications

(1) The Company ensures the availability and timely use of necessary information that is accurate, clear, easy to understand, and up to date.

(2) The Company places great importance on information systems and communication by establishing policies on information technology use and data governance, as well as incorporating them into the Group's Code of Business Conduct to guide employees' practices. The Company provides effective and efficient communication systems and channels both within and outside the organization as follows:

(2.1) Internal communication ensures the provision of sufficient and timely information necessary for operations, including information related to potential risks to departments, such as government policies and changes in laws. This enables personnel to perform their duties and achieve set objectives. Communication between management and staff is also facilitated to promote understanding and coordination through channels provided by the Company, such as the internal company website (Internal Web) and electronic mail (e-mail). Additionally, informal but popular channels among users, such as Line Groups, are used, along with communication through activities like CEO meetings with employees.

(2.2) Communication with external individuals or organizations is managed through established processes for engaging with external stakeholders. This includes communication via the Company's website and other online channels such as Facebook, managed by the Corporate Communications and Information Technology departments, as well as the Investor Relations website, overseen by the Investor Relations unit. The Company also regularly organizes relationship-building activities with various stakeholder groups to effectively communicate company information.

(3) Information and communication systems control: The Company controls the transmission and input of data into the system. There is a clear segregation of duties and defined responsibilities and authority for personnel and departments involved in information and communication. Additionally, the Company classifies the confidentiality levels of data

across all departments, requiring authorization for access at different levels. Only authorized personnel have the right to access files or programs.

(4) A whistleblowing and complaint reporting channel has been established for reporting illegal acts, violations of the Group's Code of Business Conduct, inaccurate financial reporting, rights infringements, corruption, or deficiencies in internal control systems. Additionally, mechanisms are in place to protect whistleblowers. Complainants can report concerns or complaints through various channels specified in the Group's Code of Business Conduct.

5. Monitoring

(1) A corporate governance oversight unit is established to ensure compliance with laws and regulations related to the Stock Exchange of Thailand and the Securities and Exchange Commission.

(2) Regular monitoring, reviewing, and evaluation of internal controls are conducted by the Internal Audit Office, which reports the results to the Audit Committee and the Company's management. If any weaknesses are identified in procedures or controls, it is the responsibility of management to systematically and continuously establish control measures and resolve those issues. The Internal Audit Office also consistently monitors management's compliance with control measures and the progress of improvements or corrective actions.

(3) The Secretary of the Governance and Sustainable Development Committee is responsible for collecting complaints and compiling summary reports on the actions taken. These reports are submitted to the President and CEO, the Governance and Sustainable Development Committee, and the Audit Committee.

Therefore, this is hereby announced for acknowledgment and shall be universally observed from this date onward.

Announced on 24 January 2023.

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President & CEO

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Chairman of the Board