



## Emerging Risks 2022

### Emerging Risk : Geopolitical and Economic Risk

Subject	Description
Emerging Risk	Geopolitical and Economic Risk
Category	Geopolitical
Risk Level	High
Description	With the current situation of war and political conflict, impacts will be more than other aspects upon happening especially in terms of economic risk weakness. Which will cause operation halt, decrease of income stability, and volatility in the capital market as well as economic growth and stability. Affecting the business operations of the company and companies in the group.
Impact	<ul style="list-style-type: none"><li>• Effects on management under the country's monetary policy from the global market pressure. Which may resulted in an increase of financial costs and expenses of the company.</li><li>• Maintaining economic conditions in some countries, such as prohibiting import-export of goods. Which resulted in imports of some types of raw materials required for company operation.</li><li>• Impacts from fuel energy price increase causing transportation sector and government's electricity tariff to increase. This causes an impact on operating costs and may affect the company's objectives.</li></ul>
Mitigating actions	<ul style="list-style-type: none"><li>• Since EA has a good relationship with various financial institutes from company's core business in green industry such as solar and wind turbine farms, battery factory and electric vehicle factories. Most of banks or financial institutes are interested in lending to green business company following by the global trend. It could make EA receive the potential interest structure that beneficial to company. All of these could make EA decrease the dependence of a bank or an institute.</li><li>• Implement of operation plan and strategies that can be dynamically adapted to financial changes along with monitoring and evaluating interest rates on a regular basis. Utilize suitable tools to manage finances as well as consider evaluating suitability of the investment that will occur at that time.</li><li>• Plan a short-term, medium-term, and long-term risk management and strategic plan to find alternative markets to support changes.</li><li>• Implement a fuel consumption plan by referring to production and distribution of electricity agreement. Enhancing production system as well as bringing renewable energy into the production process. to reduce dependence on fossil energy.</li></ul>



### Emerging Risk : Technology and Innovation Risk

Subject	Description
<b>Emerging Risk</b>	Technology and Innovation Risk
<b>Category</b>	Technological
<b>Risk Level</b>	High
<b>Description</b>	The Company's consistent business growth and expansion since 2017 has been attributable to its strength in the technology and innovation areas. The Company is aware of new risks that may arise from new technological inventions to replace the existing technologies which the Company is now investing in, or from the fact that power sale/ purchase can freely be undertaken at both local and international levels and at low prices.
<b>Impact</b>	It may lead to possible changes in the growth of electricity power production and storage. Possible changes in various forms and impact to the Company's business operation and industrial competitive in the future.
<b>Mitigating actions</b>	Long-term operational plan of the Company is to utilize energy storage technologies to bring energy security and to uplift use of eco-friendly renewable energy. It makes the Company to efforts in strengthening its business and income base, and continuously expand the market to the entire energy storage industry, electric vehicle industry and other related industries in parallel to exploring new investment opportunities along with human resource development and advanced technological study and development. In addition, the Company recognizes that adoption of new technologies and innovations in the operation processes is significant and clearly beneficial in a long term, as well as can shorten operation time and save costs. The Company has thus launched projects to support invention and innovation development to promote self-learning among the employees and stimulate their creativity in adopting innovations for performance development and improvement.