

# **91APP, Inc.**

## **Risk Management**

### **1. Risk Management Policy and Procedures**

The "Risk Management Policy and Procedures" was accepted as the top guiding concept for the Company's risk management on November 10, 2022, at the 4th Meeting of the 4th Board of Directors. The Company regularly undertakes risk assessments every year based on the principle of materiality and evaluates risks related to our operations, including environmental, social, and corporate governance issues. The Company develops risk management policies covering management goals, organizational structures, responsibility assignment, and risk management procedures, and implements them to effectively identify, measure, and control all risks that the Company may face. This aids in controlling the risks associated with our business activities within acceptable bounds.

### **2. Scope of Risk Management**

The Company promises to integrate and manage all potential risks, including varied strategies, operations, financial, and hazard risks, proactively and cost-effectively to minimize their influence on our business operations and financial results. The goal is to provide proper risk management for all stakeholders through the establishment of an enterprise risk management initiative.

The Company's risk management encompasses the management of risks such as "information security risk", "operational risk", and "compliance risk".

### **3. Risk Management Organization**

- (1) Board of Directors: The highest decision-making authority for risk management in the Company, responsible for formulating risk management policies and frameworks to ensure the effectiveness of risk management operations.
- (2) Audit Committee: Responsible for reviewing the formulation of risk management policies and overseeing the implementation of risk management operations.
- (3) General Manager's Office: Responsible for coordinating risk management operations.
- (4) Risk Management Committee: The Risk Management Committee is composed of managers from relevant divisions and is responsible for implementing the risk management policies approved by the Board of Directors, monitoring the risk management mechanisms of the Company, reviewing the risk control reports submitted by the internal departments, and addressing risk

management issues, and reporting on the operation status to the Board of Directors at least once a year.

- (5) Information Security Committee: The Information Security Committee is responsible for all information security controls, policy formulation, internal audits, reporting and handling of security incidents, as well as the development and implementation of improvement plans. The Information Security Committee is also responsible for managing personal data in accordance with legal requirements, as well as formulating policies and security maintenance plans related to the protection of personal data.
- (6) Internal Auditor's Office: The Audit Department is responsible for independently and objectively validating the operation of risk management and assessing important risk items and providing improvement suggestions in a timely manner.
- (7) Risk Management Unit in Individual Divisions: Including divisions such as sales, marketing, operations, human resources and accounting. Each division head is responsible for first line risk management. They are responsible for identifying, analyzing, managing, and monitoring the relevant risks within their respective units, to ensure that the risk control mechanisms and procedures can be effectively implemented.

#### **4. Risk Management Implementation**

The Company actively promotes the implementation of risk management mechanisms, holds regular meetings of the risk management team and report to the Board of Directors on its operations annually. The major implementations in 2023 are as follows:

- (1) In order to implement corporate governance evaluation indicators and align with practical Company operations, the Company revised the "Risk Management Policy and Procedures" on November 14, 2023, as approved by the Board of Directors.
- (2) On November 14, 2023, the Company submitted the "2023 Annual Report on Risk Management Operations" to the Audit Committee and the Board of Directors.