



## Charter of the Risk Management Committee Grand Canal Land Public Company Limited

### 1. Objectives

The Risk Management Committee Charter of Grand Canal Land Public Company Limited ("the Company") has been established to carry out the duties of the Risk Management Committee: RMC efficiently and effectively, which is an important component of good corporate governance.

### 2. Definition

Risk management is established by the Board of Directors, executives, and other personnel of the organization for use throughout the organization in the design of strategy. Risk management is designed to identify prospective incidents that could impact the organization and manage that risk, keeping it under an organization's acceptable risk level in order to produce reasonable assurance that the organization will achieve its goals.

Risk is an uncertain situation that, when it occurs, will have a negative effect on the organization's achievement objectives or goals.

Chance is an uncertain situation when it occurs and will have a positive effect on the organization's achievement objectives or goals.

Uncertainty is the inability to predict future events; how likely they will occur and how significant their impact will be.

The organization's acceptable risk level refers to the risk at a broad-based amount that the organization is willing to accept to accomplish its mission.

Risk Tolerance:(RT) is the degree of variation in response to the achievement of any purpose.

### 3. Purpose

To assist and support the Board of Directors in carrying out their responsibilities for the organization's risk management, this continuously empowers an organization's capabilities to evolve in tandem with its vision of risk management, ensuring the organization has the capabilities to identify, assess, and manage the risk. It is continually evolving in accordance with the growth of the acceptable level of risk in the organization.

### 4. Composition and Qualification

The Risk Management Committee is appointed by the Board of Directors and consists of at least 3 members chosen from among the committee members and senior executives of the Company. Furthermore,

the committee will consider appointing a competent person to serve as the Chairman of the Risk Management Committee.

The qualifications of the Risk Management Committee are as follows:

- 1) Be individuals that possess knowledge, skills, experience, and competence in the Company's business while maintaining integrity, business ethics, and dedicating their knowledge, abilities, and time to accomplishing their duties for the Company.
- 2) Maintain comprehensive qualifications and possess none of the characteristics prohibited under the Public Limited Companies Act, B.E.2535 (including the amendment) or other relevant laws or other regulations. They should not have any of the characteristics of unreliability specified in the Securities and Exchange Commission's notification.

## 5. Terms

- 1) The term of the Risk Management Committee shall be 3 years for each term, and the committees that remain in position until the end of their term will be nominated and reappointed with the consent of the Board of Committee Meetings.
- 2) The Risk Management Committee shall retire from office upon
  - When retire from the Director or Executive (as the case maybe)
  - The Board resolves to dismiss duty
  - Completes the term
  - Dies
  - Resigns

## 6. Responsibilities

The Risk Management Committee is responsible for recognizing and making recommendations on policies, strategies, organizational structure, and all types and levels of risk management development frameworks for the organization.

- 1) Review, refine and endorse the manageable levels of risks (Risk Appetite).
- 2) Review the Company's overall risk management, taking into consideration the overall short- and long-term return for shareholders, in comparison with the manageable risks to the Company.
- 3) Assess the effectiveness of risk management established by the management.
- 4) Participate in the Company's annual analysis of risk management strategies and provide recommendations.
- 5) Provide directions and guidance for risk management supervision.
- 6) Supervise to ensure that the aforementioned practices are communicated thoroughly and the employees comply with the practice continuously.

- 7) Supervise the identification of performance goals and key risk KPIs.
- 8) Report the committee's risk management activities to the Board every quarter.
- 9) Perform other tasks as assigned by the Board.

#### **7. Meeting**

- 1) The Risk Management Committee is responsible for scheduling meetings at least once a quarter and for clearly outlining the agenda for each meeting in advance.
- 2) The Secretary of the Risk Management Committee or the designated person will be in charge of recording the meeting and preparing the meeting report.
- 3) The Secretary of the Risk Management Committee will follow up on the progress of various actions according to the minutes of the Risk Management Committee meeting, including problems and obstacles that arise in the implementation of the Risk Management Committee's opinion or observations. The Risk Management Committee Secretary will report any problems or obstacles to the Risk Management Committee for acknowledgement at the following meeting. This includes
  - (1) Responsible for submitting the agenda for each meeting at least 7 days before the meeting.
  - (2) Responsible for submitting the supporting meeting materials to the Risk Management Committee prior to each meeting.
  - (3) Responsible for submitting the minutes of every meeting to the Risk Management Committee for consideration before the next meeting.

#### **8. Compensation**

The Nomination and Remuneration Committee is to propose the Committee's compensation for the Board's consideration and table it for the shareholders' approval.

This charter takes effect from February 14, 2020.