

# CENTRALRETAIL

Charter of the Risk Policy Committee

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Central Retail Corporation Public Company Limited

(12 November 2020)

## **Charter of the Risk Policy Committee**

### **1. Purpose**

The Risk Policy Committee is established to support the Board of Directors in governance to ensure the adequate and proper risk management system is in place in order for CRC to achieve its objectives efficiently and effectively, and to comply with the related laws and standards to limit the overall risks to the acceptable level.

### **2. Composition**

The Risk Policy Committee consists of at least three (3) members, including independent director(s) and executive director(s), which must be appointed by the resolution in the Board of Directors' Meeting.

The Chairperson of the Risk Policy Committee must be the independent director and appointed by the resolution of the Board of Directors' meeting.

The Risk Policy Committee may appoint the secretary to the Risk Policy Committee to assist in performing duties of the Risk Policy Committee regarding meeting appointments, meeting agenda preparation, meeting supporting document submission and meeting minute taking.

### **3. Qualification of the Risk Policy Committee**

The Risk Policy Committee members must possess the following qualifications:

(1) Be knowledgeable, capable, honest, ethical and have sufficient time to dedicate their knowledge and capabilities and perform their duties for CRC.

(2) Be fully qualified and not be under any of the prohibitions prescribed in the related laws.

### **4. Terms of Office**

The Risk Policy Committee members shall have an office term of three (3) years and be in line with the office term of CRC's directors. The Risk Policy Committee members who have completed their office term may be reappointed.

In case that any Risk Policy Committee members have completed their terms or are unable to complete their terms, resulting in having less than three (3) members of the Risk

Policy Committee; the Board of Directors shall appoint other directors to complete the Committee immediately or no later than three (3) months from the date of incompleteness to ensure continuity in performing their duties.

## **5. Authorities, Duties and Responsibilities**

1. Consider the Enterprise Risk Management Policy, which is the framework of risk management processes for all levels of employees, to ensure alignment with objectives, main goals, strategies and risk appetite.

2. Oversee to ensure that CRC has identified risks by considering both external and internal factors that may impede CRC from achieving its specified objective. These may include strategic risk, operational risk, financial risk and compliance risk.

3. Oversee to ensure that CRC has assessed the impact and likelihood of the identified risks for prioritization and has proper risk management measures in place to cope with such risks, either risk acceptance, risk mitigation, risk avoidance, or risk transfer.

4. Oversee to ensure that there are persons responsible for executing the Risk Management Policy as well as establish the structure and approve appointing of the Risk Management Committee to define the risk management strategy and guidelines which are in line with the Risk Management Policy and encourage the collaboration in risk management at every level.

5. Regularly monitor and evaluate the Risk Management Policy as well as review the appropriateness and adequacy of the Risk Management Policy, strategy and guidelines to assure that such policy, strategy and guidelines align with the business strategy and direction and can control the risk level within the risk appetite.

6. Give advice and support to the Board of Directors on the Enterprise Risk Management Policy as well as encourage the continuous and regular improvement and development of the risk management system.

7. Communicate with the Audit Committee on significant risks in order to consider the adequacy of CRC's and its subsidiaries' internal control systems.

8. Review and propose the revision of the charter of the Risk Policy Committee, in order to be in line with circumstances or at least once a year, to the Board of Directors for approval .

9. Evaluate the performance of the Risk Policy Committee and propose to the Board of Directors for consideration at least once a year.

10. Seek for independent opinions from professional consultants, where necessary, at the expense of CRC.

11. Perform any other act as assigned by the Board of Directors or as specified in any policies approved by the Board of Directors.

## **6. Meeting**

(1) The Risk Policy Committee shall meet as the Chairperson of the Risk Policy Committee deems as appropriate, at least two (2) times per year.

(2) In order to call the Risk Policy Committee's meetings, the Chairperson of the Risk Policy Committee or designated person shall send the meeting notice along with agenda items and relevant documents to all members of the Risk Policy Committee, via any channels including an electronic channel, no less than seven (7) days prior to the meeting date so that the Risk Policy Committee members have sufficient time to consider the meeting documents. Except in case of necessity and urgency to preserve the right and benefit of CRC, the meetings may be called by other methods or at shorter notice.

(3) The Chairperson of the Risk Policy Committee or a person designated by the Chairperson of the Risk Policy Committee shall report the meeting resolutions to the Board of Directors' meeting.

## **6. Quorum and Voting**

(1) The quorum of the Risk Policy Committee' meetings must consist of no less than half of the Risk Policy Committee members. In case the Chairperson of the Risk Policy Committee is not present at the meeting or unable to perform his/her duty, the Risk Policy Committee members present at the meeting are required to select one member to become the Chairperson of the meeting.

(2) The resolution of the meeting shall be passed by majority votes of the members present at the meeting.

(3) Each member has one (1) vote. Any member who has a conflict of interest in any matter for consideration has no right to vote on such matter. In the event that there are equal votes, the Chairperson of the meeting has a casting vote.

This charter of the Risk Policy Committee is effective from November 12, 2020 onwards.

*-Signed-*

(Dr. Prasarn Trairatvorakul)  
Chairman of the Board of Directors  
Central Retail Corporation Public Company  
Limited