



**NAWARAT**

# **Charter of the Risk Management Committee**

**Nawarat Patanakarn Public Company Limited  
(RMC – 01)**

Revision 00  
Date 17/09/2015

# Charter of the Risk Management Committee

## **1. Purpose**

The Board of Directors has appointed the Risk Management Committee to formulate risk management policies that cover the entire organization and to ensure that risk management procedures or systems are in place to appropriately mitigate impacts to the business of the Company. Composition, authority, duties and responsibilities of the Risk Management Committee are prescribed to ensure their efficient performance as assigned by the Board of Directors.

## **2. Compositions and Appointment of the Risk Management Committee**

2.1 The Risk Management Committee shall be appointed by the Board of Director and must consist of at least two directors of the Board.

2.2 The Board of Director shall appoint one member of the Risk Management Committee as the Chairman of the Risk Management Committee

2.3 The Chairman of the Risk Management Committee must be the independent director

## **3. Qualifications of the Risk Management Committee**

3.1 The Risk Management Committee member must have knowledge, expertise and understanding on all aspects of risks of the Company's business.

3.2 The Risk Management Committee must dedicate their time adequately to perform their duties.

## **4. Office Terms**

4.1 The Risk Management Committee shall serve a term of office of 3 (three) years from the date of appointment.

4.2 The Risk Management Committee members who have completed their terms may be re-appointed by the Board of Directors.

4.3 In case a vacancy occurs for reasons other than term completion, the Board of Director shall appoint a qualified person to maintain the required numbers of the committee members as defined in this Charter. The substituted member can only be in the office within the remaining term of the member he/she replaces

4.4 A Risk Management Committee member who desires to resign ahead of term completion must notify and submit resignation letter to the Chairman of the Board at least 30 days in advance.

4.5 A Risk Management Committee member shall vacate office when he or she:-

- completes the term;
- deceases;
- resigns;
- is dismissal by the Board;
- is imprisoned under the final court verdict or a legal order, except for offences caused by negligence or misdemeanor;
- is considered incompetent or quasi – competent;
- becomes bankruptcy

## **5. Duties and Responsibilities of the Risk Management Committee**

5.1 Define, review and approve risk management policy and risk management master plan. Set and regulate the Company's risk management system as well as consider and review risk management plans to be efficient and appropriate for changing situation.

5.2 Evaluate, monitor and oversee risks to ensure that they are at appropriate levels.

5.3 Oversee, supervise and monitor to ensure that all departments within the Company continuously follow up risk management policies.

5.4 Consider and approve budgets and expenses for operation about risk management and monitor sufficiency of resource to be used for risk management.

5.5 Monitor risks status of the Company and report to the Board of Directors and the Audit Committee.

5.6 Form the working team as deemed appropriate.

5.7 Execute other duties as assigned by the Board of Directors.

## **6. Meetings**

6.1 The Risk Management Committee must hold meetings as deemed necessary and appropriate to responsibilities as defined in this Charter at least 2 (two) times a year and may invite management or executives or relevant parties to join meeting, give opinions or deliver documents as deemed relevant and necessary.

6.2 The Chairman of the Risk Management Committee or the assigned person shall send meeting invitation specifying date, time, venue, and agenda details to all members at least 7 (seven) days ahead of the meeting. Except for the urgent case to protect the Company's interest, notification of the meeting can be given through other means and the meeting can be convened earlier.

6.3 To form a quorum in a meeting, at least half of the total members of the Risk Management Committee must be present.

6.4 The Chairman of the Risk Management Committee shall also be the chairman of the meeting. In case of the Chairman is absent or cannot perform the duty, other members attending the meeting can select one member to be a substituted chairman of the meeting.

6.5 Each member of the Risk Management Committee with vested interest in any agenda item must abstain from voting on that item.

6.6 The resolution of the meeting will take into account the majority of votes, with one member having one vote. If the number of votes is equal, the chairman will cast the decisive vote.

## **7. Reporting**

The Risk Management Committee shall report its performance to the Board of Directors after each committee meeting quarterly and prepare report of its activities carried out in a year to disclose in the Company's annual report.

## **8. Performance Evaluation**

The Risk Management Committee shall conduct a self-appraisal at least once a year and submit the results to the Board of Directors for acknowledgement and consideration

## **9. Remuneration of the Risk Management Committee**

The Nomination and Remuneration Committee shall determine and recommend the remuneration of the Risk Management Committee to the Board of Directors for consideration and shall propose to the meeting of the shareholders for approval.

This Charter is approved by the Board of Directors' Meeting No. 09/2015 on September 17, 2015 and is enforced from September 17, 2015 onward

(Mr. Mana Karnasuta)  
Chairman  
Nawarat Patanakarn Public Co., Ltd.