



## Charter of the Risk Management Committee

### 1. Objectives

The Risk Management Committee Charter is established to define the framework of the risk management operations, including the roles, responsibilities and composition of the Risk Management Committee, which will help the Company operate its business to achieve its objectives and goals. It is also a mechanism for the Board of Directors to oversee the Company's risk management to be integrated, efficient and effective, in line with international risk management principles, good corporate governance principles and related governance rules.

#### **The Risk Management Committee Charter consists of the following:**

- Composition and criteria for appointing the Risk Management Committee
- Termination of office
- Scope of authorities, duties and responsibilities
- Reporting
- Meetings

### 2. Composition and Criteria for the Appointment of the Risk Management Committee

The Risk Management Committee is appointed by the Board of Directors. The criteria are to appoint by specifying the position of the head of the department listed below and to consist of at least 6 directors and executives, with the Group CEO, who is a director of the company, being as the Chairman of the Risk Management Committee by position.

The Risk Management Committee consists of the following:

1. Chief Executive Officer	Chairman of the Committee
2. Head of Accounting and Finance	Member of the Committee
3. Head of Operations,	Member of the Committee
4. Head of Human Resources,	Member of the Committee
5. Head of Digital Transformation,	Member of the Committee
6. Head of Corporate Strategic Planning,	Member of the Committee
7. Department of Risk Management,	Secretary of the Committee

### 3. Termination of office

- 3.1 Resign
- 3.2 Position Change according to the company's policy
- 3.3 Dismissed as a result of a board of directors' resolution.



#### **4. Scope of Authority, Duties, and Responsibilities**

The Risk Management Committee shall be responsible for ensuring that significant business risks are continuously identified, assessed, and that effective risk mitigation measures are in place as follows;

4.1 Develop and implement a comprehensive risk management policy, strategy, and criteria aligned with the COSO ERM (Enterprise Risk Management) framework to ensure systematic risk management across all dimensions which shall be proposed to the Board of Directors for consideration and approval.

4.2 Review and assess the company's risks and risk management practices across all business units, both domestically and internationally. The review should cover all dimensions of risk, including strategic, financial, operational, compliance, and ESG risks (Environmental, Social, and Governance). The review should be based on risk assessments conducted by risk owners who identify, analyze, and assess the risks using the Company group's standard risk assessment tools and criteria including control plans as well as provide recommendations and guidelines to enhance overall risk management effectiveness.

4.3 Monitor the effectiveness of the Company's risk management processes and ensure ongoing compliance with the risk management policies and framework. This will ensure that all subsidiaries, both domestic and international, maintain effective and consistent risk management systems, as to establish an effective risk management system throughout the organization and to maintain consistent compliance across the Company group both within country and its overseas subsidiaries.

4.4 Report significant risks rated as high or very high, along with action plans or mitigation measures to reduce these risks to an acceptable level. These reports should be successively reported to the Chief Executive Officer, Executive Committee, Audit Committee, and Board of Directors for acknowledgement.

4.5 Report the risk management results to the Audit Committee and the Board of Directors and review the risk management policy regularly on an annual basis.

4.6 Provide guidance and consultation to the department of risk management and/or relevant departments or working groups involved in risk management. As well as consider appropriate approaches to correcting various data related to the development of the risk management system.

4.7 Consider appointing additional or in replacement of sub-committee members and/or personnel to the Risk Management sub-committee and/or related departments or working groups as appropriate as well as define their roles and responsibilities to effectively achieve the objectives.

4.8 Perform any other risk management tasks as assigned by the Board of Directors.

#### **5. Reporting**

The Risk management Committee shall report high and very high risks to the Audit Committee on a quarterly basis and successively present annual report of the risk management result to the Board of Directors Once a year. Such report shall be a part of the Company's Annual Report disclosed to the shareholders as required by the Securities Exchange Act.

#### **6. Meetings**

6.1 The Risk Management Committee shall convene at least quarterly, or four times a year, and may hold additional meetings as necessary. A quorum shall consist of at least half of the total number of Risk Management Committee members.

6.2 All members of the Risk Management Committee are expected to attend all meetings. In the event of unavoidable absence, members should notify the Chairman of Committee in advance.



6.3 The Chairman of the Risk Management Committee shall be the chairman of the meetings. In the event that the Chairman of Committee is absent or unable to perform the duties, the member of the committee who is present in the meeting shall select one of the Risk Management Committee members to be the chairman of the meeting.

6.4 The Secretary of the Risk Management Committee, or any appointed representatives, shall attend all meetings.

6.5 The Risk Management Committee may invite relevant risk owners to attend meetings to provide facts regarding significant risks. This will ensure a comprehensive understanding of risks across the organization and promote collaborative risk management., covering the Company group within country and its overseas subsidiaries,

This will be effective as of April 29, 2024.

(Mr. Jatuphat Tangkaravakoon)

Chairman of the Risk Management Committee

TOA Paint (Thailand) Public Company Limited