



Charter of the Risk Management Committee

Nirvana Daii Public Company Limited

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## 1. Definition

“Charter”	means Charter of the Risk Management Committee of Nirvana Daii Public Company Limited
“the Company”	means Nirvana Daii Public Company Limited
“Board of Directors”	means Board of Directors of Nirvana Daii Public Company Limited
“Director”	means Director of Nirvana Daii Public Company Limited
“Risk Management Committee”	means Risk Management Committee of Nirvana Daii Public Company Limited
“Members of the Risk Management Committee”	means members of the Risk Management Committee of Nirvana Daii Public Company Limited

## 2. Objectives

The Board of Directors of the Company has appointed the Risk Management Committee for the following reasons;

- Establishing policies and operational framework of risk management.
- Monitoring the administration of risk management across the organization in order to reduce the impact of various external and internal risk factors to the business of the Company appropriately.

The Board of Directors of the Company has determined the composition, scope of authority, duties, and responsibilities to the Risk Management Committee to be able to perform their duties effectively as assigned by the Board of Directors.

## 3. Composition and Qualifications

3.1 The Risk Management Committee comprises at least 3 directors, with at least 1 member of them being an independent director and Chief Executive Officer shall be an ex-officio member of the Risk Management Committee.

3.2 Members of the Risk Management Committee shall have knowledge, understanding in the Company's business, or have specific expertise to the Company's business operations in order to achieve the objectives.

3.3 Members of the Risk Management Committee shall be able to devote time sufficiently to perform their duties as Members of the Risk Management Committee to achieve the objectives.

3.4 Chairman of the Risk Management Committee should be the independent director.

#### 4. Appointment, terms of office, and expiration

##### 4.1 Appointment of Members of the Risk Management Committee

The Board of Directors or the shareholders' meeting has appointed Members of the Risk Management Committee. (As applicable)

##### 4.2 Appointment of the Chairman of the Risk Management Committee

The Chairman of the Risk Management Committee may be appointed by the Board of Directors of the Company or by the Risk Management Committee elects one member to hold the position as the Chairman of the Risk Management Committee and inform the Board of Directors.

##### 4.3 Appointment of the Secretary of the Risk Management Committee

- 1) The Risk Management Committee shall appoint the secretary of the Risk Management Committee or the Company shall assign **an employee acting as the secretary of the Risk Management Committee** which must be agreed by the Risk Management Committee.
- 2) The secretary of the Risk Management Committee has duties to support the operation of the Risk Management Committee regarding determining action plans of the Risk Management Committee, scheduling the meeting, preparing the meeting agenda as assigned by the Chairman of the Risk Management Committee, delivering documents relevant to the meeting, and recording the minutes of meeting.

##### 4.4 Terms of Office

- 1) Members of the Risk Management Committee has an office term of 3 years from the date appointed by the Board of Directors of the Company. Expiring Members of the Risk Management Committee may be re-appointed by the Board of Directors or the shareholders' meeting, but not more than 3 consecutive office terms except for Chief Executive Officer shall be an ex-officio member of the Risk Management Committee.
- 2) In case of a vacancy in the Members of the Risk Management Committee for any reason other than the expiration of the term of office, the Board of Directors shall appoint a person who has the qualifications to be the Members of the Risk Management Committee in order to maintain the required number of the Members as set by the Board of Directors in this Charter.

##### 4.5 Expiration

- 1) Members of the Risk Management Committee may vacate office upon;
  - 1.1) Complete an office term.
  - 1.2) End of period of the Company's director position.
  - 1.3) Death

- 1.4) Resignation
  - 1.5) Disqualified or being prohibited characteristics under Public Limited Companies Act.
  - 1.6) Removal by a resolution of the Board of Directors of the Company.
- 2) In case a member of the Risk Management Committee wishes to resign, he/she shall submit a resignation letter to the Chairman in which the resignation takes effect as from the date on which the resignation letter reaches the Company.
  - 3) Any change of the Chairman of the Risk Management Committee shall not affect the positions of other members of the Risk Management Committee.

**5. Scope of Authority, Duties, and Responsibilities**

- 1) Determining the risk management framework (which consists of risk management policy, risk management structure and procedures), including reviewing and revising at least on an annual basis in order to ensure that risk management framework is effective and in accordance with the international standards and in compliance with strategies and business plans of the Company prior to submission to the Board of Directors of the Company for acknowledgement.
- 2) Determining the level of Risk Appetite of the Company and presenting to the Board of Directors for approval.
- 3) Monitoring, following, and reviewing the reports of major risk management enterprise, as well as the reports of risk management on investment project as required, including recommending and commenting on the results of risk assessment, risk management measures, and the remaining risks of the Company to ensure that there is the risk management that is efficient and appropriate to the Company's business operations and to manage risks in an acceptable level and in accordance with the risk management policy.
- 4) Determining and reviewing the Charter of the Risk Management Committee in accordance with the risk management policy to be effective and adequate in line with the changing situation, and presenting to the Board of Directors of the Company for approval.
- 5) Promoting the development of risk management and supporting tools of risk management at all levels throughout the organization continuously and effectively, as well as fostering and encouraging the improvement and development of risk management system within the organization constantly and consistently.
- 6) Reporting the results of major risk management to the Board of Directors of the Company for acknowledgement in the event that there are factors or events which may affect the Company significantly.

- 7) Performing other duties regarding the risk management as assigned by the Board of Directors.
- 8) In performing duties, the Risk Management Committee may request an opinion from an independent advisor if it is considered necessary and appropriate in which the Company shall be responsible for the expenses.
- 9) Communicating and exchanging information, and coordinating with the Audit Committee concerning risks and internal control on a regular basis.

## **6. Meetings**

### **6.1 Number of Meetings**

- 6.1.1 The Risk Management Committee shall meet, on a regular basis, at least once a quarter and additional meetings may be arranged as deemed appropriate by the Chairman of the Risk Management Committee. The Members of the Risk Management Committee or the Chairman of the Company may call for special meetings in case that there are agenda needed to discuss together.
- 6.1.2 In calling a meeting, the Chairman of the Risk Management Committee or an assigned person shall send a written meeting notice by indicating meeting date, time, venue, and agenda to all Members of the Risk Management Committee at least 7 days in advance of the date of the meeting, except in case of urgency, for the benefits of the Company, a meeting notice may be made otherwise, with an earlier date.

### **6.2 Attendees**

- 6.2.1 At a meeting of the Risk Management Committee, at least one-half of the total number of Members of the Risk Management Committee must be present to form a quorum and the Chairman of the Risk Management Committee shall chair the meeting.
- 6.2.2 In the event that the Chairman of the Risk Management Committee is not present at a meeting or is not able to perform his/her duty, the Members of the Risk Management Committee present shall elect one of them to act as a Chairman for that meeting.
- 6.2.3 The Risk Management Committee may invite the executives of the Company or related persons to attend or to explain the issues involved.
- 6.2.4 The Secretary of the Risk Management Committee or an assigned person must attend the meetings every time.

### **6.3 Voting**

6.3.1 A decision of a meeting shall be by a majority votes. In casting votes, each member shall have one vote. In case of an equality of votes, the Chairman of the meeting shall have an additional vote as a casting vote.

6.3.2 Members of the Risk Management Committee who have any interest in a particular matter shall not attend or vote on such matter.

## 7. Reporting

The Risk Management Committee shall report to the Board of Directors of the Company regarding the results of risk management or things needed to be improved significantly in the Board of Directors' meetings every time in order to inform the Board of Directors to realize the major risks of the Company, as well as factors that may affect the Company's business operations in the future. If the Risk Management Committee considers that there is an urgent issue, the report may be submitted to the Board of Directors prior to the following the Board of Directors' meeting.

## 8. Performance Assessment

The Risk Management Committee shall assess its performance annually and report problems or obstacles that cause the failure in operation (if any) to the Board of Directors of the Company.

## 9. Remuneration

The Nomination and Remuneration Committee shall consider the remuneration of the Chairman of the Risk Management Committee and the Members of the Risk Management Committee, and request for an approval from the Board of Directors of the Company prior to the proposition to the annual general meeting of shareholders for approval.

## 10. Other Criteria

Other cases are not specified in this charter, the Risk Management Committee shall use discretion in adopting and applying general standard practices and guidelines for risk management as appropriate in each case.

Announced on May 9, 2017

- *Sutthichai Sungkamanee* -

(Mr. Sutthichai Sungkamanee)

Chairman

Nirvana Daii Public Company Limited