

# **Charter of the Risk Management Committee**

## **GMM Grammy Public Company Limited**

### **1. Purpose**

The Risk Management Committee (RMC) was established by the resolution of the Board of Directors' Meeting No. 1/2005 held on February 3, 2005. The review over the committee members, their roles and duties had taken place in order to improve the overall standards of the company and be presented to the Board of Directors for approval. Having realized the importance in developing the company's internal risk management system, which is one of the key tools in managing the company's group, the RMC will support and operate on behalf of the Board of Directors. This is based on the company's good corporate governance and is also linked with its vision, missions, and goals of the company as well as to have the COSO Enterprise Risk Management Framework (COSO ERM). This also includes encouraging the implementation of the risk management system to all aspects of the company and to make it part of the company's culture so as to build confidence of the stakeholders on the company's group that the strategic operation is driving the company towards its goals with efficiency and effectiveness.

### **2. Composition of the Risk Management Committee**

The RMC is to be appointed by the Board of Directors and have to comprise of not less than three persons who are directors and executives. The Group Chief Executive Officer, who is the company's director, shall be the Chairman of the RMC.

### **3. The Office Term**

- 3.1. The RMC's members have the office term of three years.
- 3.2. The RMC's member may be re-appointed as the Board of Directors see appropriate.
- 3.3. Apart from vacating upon the end of office term stated in Item 3.1, the Audit Committee's member will retire from the office upon the following conditions:
  - 3.3.1. Resignation
  - 3.3.2. Dismissal by the Board of Directors
- 3.4. The Board of Directors has the authority to appoint a new member of the RMC as to resume the operation and to substitute the member of the RMC who is out of his office term according to Item 3.1 or 3.3. The new member who is appointed to substitute the member of the RMC under the Item 3.3 can only be in the office within the remaining term of the member he/she replaced.

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

- 4.1 Assessing and presenting risk management policy and framework to the Board of Directors for approval.
- 4.2 Examining and agreeing on risk appetite (acceptable risk levels), and present to the Board of Directors.
- 4.3 Continuously monitoring development activities and compliance actions according to the policies and the risk management framework so the company's group will have a risk management system that is uniformly effective throughout the organization to ensure that such policies continue to be observed.
- 4.4 Assessing risk identification and assessment procedures, reporting on significant risk management activities and enforce procedures to ensure that the organization has sufficient and appropriate risk management systems in place.
- 4.5 Coordinating with the Audit Committee about significant risk factors and having the Internal Audit Unit to review that the risk management system of the company's group is appropriate to the exposure, being adapted as needed and adopted throughout the organization.
- 4.6 Continually reporting to the Board of Directors on significant risks and risk management solutions.
- 4.7 Recommending and advising the Sub-Risk Management Committee and/or departments and/or the relevant working committees about significant risks and risk management, as well as evaluate the appropriate means to improve various databases that are related to the development of risk management solutions.
- 4.8 Appointing Sub-Committees and/or additional related personnel, or replacements in the Sub-Risk Management Committee and/or the relevant department and/or the working team that is related to managing risks as necessary, as well as determining their roles and responsibilities in order to achieve the objectives.
- 4.9 Executing other activities that pertain to risks management as assigned by the Board of Directors.

Management and/or departments and/or the Sub-Risk Management Committee and/or the relevant department and/or the working team that is related to managing risks and/or internal and external auditors must report or present information and related documents to the RMC for operational support of the committee to accomplish the duties assigned.

#### **5. Reporting**

The Risk Management Committee directly reports to the Board of Directors.

## **6. Meetings**

- 6.1 The RMC holds a meeting when seen as appropriate (one time a year) and has power to call for an extra meeting. The RMC quorum shall comprise of not less than one-half of the total existing members.
- 6.2 All the RMC's members shall attend every meeting unless he/she has any necessary matter. In this case, the member has to notify his absence in advance to the Chairman of the RMC.
- 6.3 The Chairman of the RMC shall also be the chairman of the meeting. In case where the Chairman of the RMC is absent, other committee members attending the meeting can select one RMC's member to be a substitute chairman of the meeting.
- 6.4 Consistently holding a meeting between the Audit Committee and/or the management and/or the Sub-Risk Management Committee and/or other units and/or other working team relating to the risk management and/or internal auditors and/or external auditors at least one time a year.
- 6.5 The resolution of the RMC can be made by majority vote. Any member of the RMC, who has any interest in the related topic shall not vote in that particular topic.
- 6.6 The meeting invitation letter shall be issued to RMC in advance prior to the meeting date. Notice of the meeting must include agenda and being attached with necessary documents. This excludes the emergency case, where the dates of the meeting will be informed by other methods or the meeting shall be scheduled earlier. The secretary of the RMC shall take the minutes of the meeting.
- 6.7 The RMC can invite any related personnel to attend the meeting in order to provide relevant information to the RMC.

This charter is enforced from February 28, 2024, onwards.

Announced on February 28, 2024, according to the resolution of the Board of Directors' Meeting No.1/2024, held on Wednesday, February 28, 2024.