



## **Charter of the Risk Management Committee**

Tipco Asphalt Public Company Limited and its subsidiaries (“the Group”)

The Risk Management Committee (“the RMC”) is assigned by the Executive Committee (“the EC”) and the Board of Directors (“the Board”) to ensure the effectiveness and efficiency of the Group’s Enterprise Risk Management (“ERM”) processes and implementations. The Charter of the RMC (“the Charter”) is developed to define composition, term of office, roles and responsibilities, meeting, and reporting as follows:

### **Composition**

1. The RMC shall consist of at least one member of the Board;
2. Chairman of the RMC shall be a member of the Board;
3. The RMC shall consist of, but not be limited to, C-level or senior executives.
4. The RMC shall elect a member to be the Chairman of the RMC (“the Chairman”); and
5. Appointment of new or replacement of the RMC’s member and RMC secretary shall be approved by the RMC.

### **Term of Office**

1. There is no specific term of office of all RMC members.
2. RMC members shall vacate office upon:
  - 2.1 Resignation;
  - 2.2 Cease from being director and/or senior executives of the Group; or
  - 2.3 Decease.

### **Roles and Responsibilities of the Chairman**

1. To summon the meetings of the RMC according to the pre-determined schedules and others as necessary; and
2. To preside over the RMC meeting.

## **Roles and Responsibilities of Risk Management Committee**

1. Governs Enterprise Risk Management (ERM) practice of the Group, in accordance with the Enterprise Risk Management Policy.
2. Ensures that the Enterprise Risk Management Policy is reviewed on an annual basis and proposes to the EC and the Board for final acknowledgement/approval.
3. Reviews and proposes the Group's risk assessment criteria and results (impact and likelihood) and risk appetite to the EC and the Board for final approval;
4. Ensures that impact and likelihood of top corporate risks and other key risks related matters are assessed and prioritized and suitable risk mitigation plans and strategies for such risks are in place and propose to the EC and the Board to review and approve;
5. Ensure that identified risks cover required risk categories such as strategic risks, compliance risks, operational risks, financial risks, reporting risks, sustainability-related risks, and emerging risks, etc;
6. Review and propose the annual materiality assessment results - integration of Enterprise Risk Management to Sustainable Development and Corporate Governance Committee and the Board for final approval;
7. Evaluate effectiveness of the ERM practice through qualified, internal auditors and/or by qualified, independent third-party auditors. These audits should follow guidelines on management systems audits or risk management standards such as ISO 31000 and should be conducted at least every two years;
8. Promote an effective risk culture, such as training to Board of Directors and employees in order to ensure importance for integrating risk processes, procedures and awareness throughout the organization;
9. Provide advice and support the Chief Executive Officer in crisis management activities;
10. Act as a contact point, when deemed appropriate to consult with professional legal counsel with a view to determining the best course of action in relation to ERM matters that may require legal advice; and
11. Be in charge of other risk-related tasks, as deemed appropriate and assigned by Audit Committee ("the AC"), the EC, and the Board.



## Meetings

1. The Chairman shall hold meetings at least two meetings per year by setting meeting date in advance and may convene extraordinary meeting(s) or as seen appropriate by the Chairman;
2. The Chairman or the assigned person (by document or electronic means) shall send meeting invitations specifying the date, time, venue, and agenda details to all members at least five business days ahead of the meeting. Except for the urgent case to protect the Group's interest, notification of the meeting can be given through other means and the meeting can be convened earlier;
3. At a meeting of the RMC, a quorum is constituted when majority members are present (physical or online). If that quorum is not present within thirty minutes from the time when the meeting should have begun or if during the meeting there is no longer a quorum, the meeting shall be adjourned for not less than 7 and no longer than 14 business days;
4. In the event that the Chairman does not attend the meeting or is unable to perform his/her duty, members present may elect one of their members to be Chairman of the meeting;
5. Decisions at the meeting shall be made by majority votes;
6. Each member shall have one vote, but a member who has interests in any matter shall not be entitled to vote on such matter; In the case of a tie in votes, the Chairman of the RMC shall have the casting vote;
7. The RMC Secretary is responsible for preparing the minutes of the meetings; and
8. Any amendment of the Charter shall be approved by the EC.



## Reporting

1. The RMC shall report to the EC and the Board on Top Corporate Risks' risk prioritization and in-place risk mitigations and strategies on a quarterly basis;
2. The RMC shall report to the AC, the EC, and the Board regarding ERM workplan progress on a quarterly basis this to ensure the Group's risk management effectiveness; and
3. The Chairman of the RMC shall approve through the Group's 56-1 One Report, sustainability report, and any public disclosure concerning additional information on risk management.

This Charter shall be effective from 5<sup>th</sup> November 2024 onward.