



## **Charter of the Risk Management, Corporate Governance and Sustainability Committee**

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**MFEC Public Company Limited  
(MFEC)**

## Charter of the Risk Management, Corporate Governance and Sustainability Committee

Risk Management, Corporate Governance and Sustainability Committee has been assigned to oversee the Company's Risk Management, Corporate Governance and Sustainability to be in accordance with the guidelines of Good Corporate Governance. The resolution of the Board of Directors Meeting No. 1/2025 on the 25<sup>th</sup> February 2025 mentioned that MFEC Group is aware of the importance of the development of systematic risk management systems within the organization and setting a framework for good practice in various areas regarding Good Corporate Governance. The Risk Management, Corporate Governance and Sustainability Committee has its duties to support and act on behalf of the Board of Directors to operate with accuracy, transparency, with the ability to protect the interests of the shareholders and stakeholders. This is based on the Good Corporate Governance connecting to the context of the organization, visions, missions, and Company's objectives. This is to ensure that there is a risk management framework which is in line with the international guidelines, resulting in achieving organization's objectives and goals effectively and efficiently.

The Risk Management, Corporate Governance and Sustainability Committee will perform its duties of supervising and reviewing risks, providing opinions or suggestions, and providing support that benefit MFEC Group's risk management in overall. The Risk Management & Corporate Governance Committee also works on presenting guidelines of the Good Corporate Governance to the Board of Directors, as well as reviewing and improving such guidelines to be in accordance with rules and regulations, and relevant laws which are constantly changing, in order to achieve the good governance according to international standards.

### 1. Objectives

Charter of the Risk Management, Corporate Governance and Sustainability Committee has been established in order to define an operational framework for risk management and corporate governance to have a proper structure, roles, duties, and responsibilities of those related to the risk management, corporate governance and sustainability activities, to help MFEC Group achieve its objectives and goals, and to ensure the sustainable business operation according to the principles of Good Governance and Good Corporate Governance.

### 2. Composition of the Risk Management, Corporate Governance and Sustainability Committee

- 1) The Risk Management, Corporate Governance and Sustainability Committee shall be appointed by the Board of Directors of the Company in order to supervise the risk management matters within the organization, and to ensure that the Management, which is responsible for risk management, have efficiently implemented a risk management system and covered all types of risks. The Risk

Management, Corporate Governance and Sustainability Committee will help supervise the implementation of Good Corporate Governance practices in order to operate the business in a sustainable way and in accordance with the Good Governance principles.

- 2) The Risk Management, Corporate Governance and Sustainability Committee shall consist of at least three (3) directors and executive directors. Most of the members of the Risk Management, Corporate Governance and Sustainability Committee shall be independent directors. An independent director must be the Chairman of the Committee.

### **3. Term of Service / Vacating of Office**

- 1) The term of service of a member of the Risk Management, Corporate Governance and Sustainability Committee shall be two (2) years. With approval from the Board of Directors, a member of the Committee who is retired by rotation may be re-elected to serve as the member of the Risk Management & Corporate Governance Committee.
- 2) Besides retirement by rotation, a member of the Risk Management, Corporate Governance and Sustainability Committee shall be vacated upon:
  - Retirement by rotation;
  - Resignation. The member must submit the resignation letter to the Board of Directors at least thirty (30) days in advance, unless there is an urgent necessity;
  - Retirement from being a director of the company prior to completing the term of service. The Nomination and Remuneration Committee shall propose the Board of Directors Meeting to appoint a qualified director to be the replacement director. A replacement member of the Risk, Corporate Governance and Sustainability Committee shall hold office for the remaining term of service of the vacated member.
  - Death;
  - Resolution of the Board of Directors

### **4. Remuneration**

The remuneration of the Chairman and members of the Risk Management, Corporate Governance and Sustainability Committee who are not the management executives shall be determined by the Nomination and Remuneration Committee Meeting, and considered by the Board of Directors Meeting, and approved by the Shareholders Meeting respectively.

### **5. Scope of Duties and Responsibilities**

#### **5.1 Risk Management**

- 1) Consider and propose the risk management policies and frameworks to the Board of Directors for consideration and approval.
- 2) Review and approve the risk appetite and propose to the Board of Director for acknowledgement.

- 3) Supervise the continuity of development and implementation of risk management policies and frameworks. So that the Group of Companies have an effective risk management system throughout the organization and such system has been continuously complied with.
- 4) Review the risk management report in order to monitor significant risks and ensure the organization has adequate and appropriate risk management.
- 5) Coordinate with the Audit Committee regarding significant risks, with the Internal Audit Department as the reviewer to ensure that the Company has appropriate internal control system for risk management, as well as appropriately implementing the risk management system and complying with such system throughout the organization.
- 6) Report the Board of Directors regarding the risks and significant risk management regularly.
- 7) Provide advice and suggestions to the Risk Management Working Group, including consider the appropriate methods of improvement regarding the development of risk management system.
- 8) Consider the appointment of additional or substituting personnel to the Risk Management Working Group as appropriate, including the determination of roles, duties, and responsibilities for the benefits of the implementation.
- 9) Perform any other duties regarding risk management as assigned by the Board of Directors.
- 10) Communicate, exchange information, and coordinate with the Internal Audit regarding risk matters and internal control at least once (1) a year.

The Executive Directors or the Risk Management, Corporate Governance and Sustainability or the Internal Audit or the Auditor shall report or present relevant information and documents to the Board of Directors in order to support the performance of the Risk Management, Corporate Governance and Sustainability Committee so that the Committee may achieve its assigned duties.

## **5.2 Corporate Governance**

- 1) Define policies and guidelines for Good Corporate Governance and propose the policies and guidelines to the Board of Directors for consideration and approval.
- 2) Provide advice regarding principles of the Good Corporate Governance to the Board of Directors.
- 3) Prepare a Manual of Good Corporate Governance. Review the Company's guidelines for Good Corporate Governance by comparing with international standards of principles of Good Corporate Governance and the Stock Exchange of Thailand's principles of Good Corporate Governance. Propose the manual to the Board of Directors for consideration and approval for regular updates.

- 4) Appoint the working group to assist in the operation and implementation as appropriate. Determine the policies for good corporate governance for the Company's Good Corporate Governance Working Group, and provide a report of the corporate governance periodically.
- 5) Report the result of the implementation to the Board of Directors for acknowledgement.
- 6) Perform any other duties as assigned by the Board of Directors.

### 5.3 Sustainability

- 1) Provide oversight as well as advice and recommendations relating to the environmental, social, governance and economic dimensions, as well as corporate governance, for long-term sustainable business growth.
- 2) Monitor sustainability performance against various indicators, and provide advice on reporting data related to sustainability.
- 3) Provide recommendations in developing and reviewing policies and practices related to corporate sustainability and corporate governance, such as the Corporate Governance Policy, the Code of Conduct, policies related to the environment, risk management policies, and human rights policies.
- 4) Support, monitor and follow up on the Company's compliance with the laws, rules and regulations of relevant government agencies and regulators as well as good corporate governance practices in accordance with both Thai and international standards.
- 5) Recommend, encourage and support the Board of Directors, management and employees to develop knowledge and understanding related to sustainability, corporate governance and risk management.

## 6. Meetings

- 1) The Risk Management, Corporate Governance and Sustainability Committee shall regularly convene the meeting at least once (1) every quarter. The Risk Management, Corporate Governance and Sustainability Committee may invite any person to attend the Meeting.
- 2) The executive directors shall attend every meeting. There shall be at least half of the directors attending the Risk Management & Corporate Governance Committee Meeting to meet the quorum.
- 3) In the event that the Chairman of the Risk Management, Corporate Governance and Sustainability Committee is not present in the Meeting and the Acting Chairman of the Risk Management, Corporate Governance and Sustainability Committee has not been appointed, the present members of the Risk Management, Corporate Governance and Sustainability Committee shall elect one member to serve as the Chairman of the Meeting.
- 4) The Chairman of the Risk Management, Corporate Governance and Sustainability Committee may convene the Special Meeting of the Risk Management, Corporate

Governance and Sustainability Committee, should there be any requests to consider the additional important matters that need to be discussed.

- 5) A member of the Risk Management, Corporate Governance and Sustainability Committee who has any interests in a considering matter shall refrain from expressing opinions or voting on such matter.
- 6) The Secretary of the Risk Management, Corporate Governance and Sustainability Committee has the following duties: schedule the meeting, prepare agendas of the meeting, deliver the supporting documents regarding the meeting, record the minutes of the meeting. The invitation and the supporting documents shall be delivered prior to the Meeting.
- 7) In the resolution of the Risk Management, Corporate Governance and Sustainability Committee, the Chairman of the sub-committee and the member of the Risk Management, Corporate Governance and Sustainability Committee shall have one vote each. The decision of the Meeting shall be made by the majority vote. In case of a tie, the Chairman of the Meeting shall have an additional vote as the casting vote. The Secretary of the Meeting shall not have the right to vote.

## **7. Reporting**

The Risk Management, Corporate Governance and Sustainability Committee shall submit the report in relation to the Organization's Risk Management to the Board of Directors quarterly. So that the Board of Directors acknowledges and is aware of any significant risks that the organization encounters, including the factors that may affect the organization's risk status in the future.

There shall be a report on matters relating to Corporate Governance and Sustainability within a reasonable time for improvement, in case there should be any actions that may cause significant effects to the operations of the Company and do not comply with the principles of Corporate Governance, Code of Conduct, or Business Ethics.

## **8. Self-Assessment**

The Risk Management, Corporate Governance and Sustainability Committee shall do an assessment of its performance and report the result of the assessment to the Board of Directors once (1) a year.

## **9. Review of the Charter**

The Risk Management, Corporate Governance and Sustainability Committee shall review the appropriateness of the Charter regularly to ensure that the content of the Charter is consistent with the objectives and strategies of MFEC Group's Risk Management, Corporate Governance and Sustainability Committee. The Charter with significant improvements shall be approved by the Board of Directors.

## **10. Development and Trainings**

There shall be the development of knowledge for the Risk Management, Corporate Governance and Sustainability Committee by inviting the experts to provide

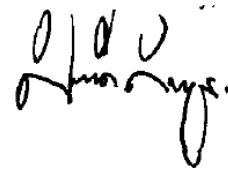
training, organizing workshops, or having the members of the Risk Management & Corporate Governance Committee join the external training.

This Charter has been reviewed by the Meeting of the Risk Management, Corporate Governance and Sustainability Committee No. 1/2025 on the 18<sup>th</sup> of February 2025. The Charter has been reviewed and approved by the Board of Directors Meeting No. 1/2025 on the 25<sup>th</sup> of February 2025.



(Prof. Dr. Uthai Tanlamai)

Chairman of the Risk Management,  
Corporate Governance and Sustainability Committee



(Mr Sirisak Tirawattanangkul)

Chairman