



Charter of the Risk Management
and Sustainable Development Committee

Stecon Group Public Company Limited

Charter of the Risk Management and Sustainable Development Committee

1. Purpose

The Board of Directors of Stecon Group Public Company Limited (the "Company") recognizes the importance of complying with the principle of good corporate governance, so the company has resolved to appoint the Risk Management and Sustainable Development Committee in order to consider and formulate policies and frameworks for risk management in business operations, as well as to consider policy frameworks and development guidelines on corporate governance and business responsibility to society. It is to ensure that the company's business operation is transparent and fair to all stakeholders and to collect and monitor risks regularly. This is to build confidence and credibility among stakeholders, increase value, and promote sustainable growth for the company.

2. Composition

2.1 The Risk Management and Sustainable Development Committee consists of, or not less than, three executives or consultants.

2.2 The Chairman of the Risk Management and Sustainable Development Committee must be an independent director or a non-executive director so that he or she can perform duty and express opinion independently.

2.3 The Chairman of the Risk Management and Sustainable Development Committee is not the same person as the Chairman of the Audit Committee in order to ensure checking and balancing between important activities in the organization.

2.4 The Board of Directors must consider the appointment and/or removal of the Risk Management and Sustainable Development Committee. The Board of Directors or the Risk Management and Sustainable Development Committee must appoint and/or remove the Secretary of the Risk Management and Sustainable Development Committee in order to assist in the operation of the Risk Management and Sustainable Development Committee regarding the appointment of meetings, preparation of the agenda, submission of meeting documents, and recording of meeting minutes.

3. Qualification of the Risk Management and Sustainable Development Committee

A member of the Risk Management and Sustainable Development Committee must be qualified and not have prohibited characteristics, as the following:

3.1 Be a person with knowledge, ability, and experience that will be useful for performing his duty as a member of the member of the Risk Management Committee and be able to devote sufficient time to performing his duty in order to ensure that the operation of the Risk Management and Sustainable Development Committee is accomplished according to the objectives.

3.2 In case the Director of Risk Management and Sustainable Development holds the position of director of the company, he or she must be qualified and not have any prohibited characteristics under the Law on Public Limited Companies, the Securities and Exchange Act, and other relevant laws.

4. Appointment and Term of Office

4.1 The Board of Directors appoints the Risk Management and Sustainable Development Committee. The Risk Management and Sustainable Development Committee has a term of office of not more than 3 years from the date of appointment and upon the expiration of the term of office, the person may be re-appointed to the position of the Risk Management and Sustainable Development Committee as the Board of Directors deems appropriate.

4.2 In addition to the resignation from office as mentioned above, the Risk Management Committee resigned from office when

(1) Cease to be a director of the company. In the case of a director of the company.

(2) The Board of Directors meeting resolved to remove the company from office.

(3) Death

(4) Resign as a Risk Management Director or director of the company.

(5) The court orders the resignation of the

(6) Lack of qualification or prohibited characteristic under the Law on Public Companies, the Securities and Exchange Act, and other relevant laws. In the case of he or she is a director of the company.

In case that the Director of Risk Management and Sustainable Development wishes to resign, he or she must submit his or her resignation to the Chairman of the Board of Directors at least 1 month in advance and state the reason for the Board of Directors

in order to consider appointing another qualified Risk Management and Sustainability Committee to replace the resigned Risk Management Committee.

In case that the position of the Risk Management and Sustainability Committee becomes vacant due to other reasons. In addition to the time of resignation, the Board of Directors must appoint a person who is fully qualified and does not have any characteristics prohibited by law to be appointed as a replacement member of the Risk Management and Sustainable Development Committee. The Risk Management and Sustainable Development Committee that takes over will only be able to hold the remaining term of the Risk Management and Sustainable Development Committee that he or she will take over.

5. Power, duty, and responsibility

5.1 Power of the Risk Management and Sustainable Development Committee

5.1.1 The Risk Management and Sustainable Development Committee has the authority to appoint a working group on risk management and sustainable development. The Working Group on Risk Management and Sustainable Development must consist of relevant officers at the level of manager and above.

5.1.2 The Risk Management and Sustainable Development Committee has the authority to request the relevant department of the company to clarify information in writing or invite the company's executives or relevant officers to attend a meeting with the Risk Management and Sustainable Development Committee. It is to clarify or provide information about the company's risk, including the performance of its responsibilities under the Risk Management and Sustainable Development Committee.

5.2 Duty of the Risk Management and Sustainable Development Committee

5.2.1 Consider and give an opinion on the draft policy and risk management framework, including determining the risk appetite, risk tolerance, and preventive measures, before submitting them to the Board of Directors for approval.

5.2.2 Formulate a risk management policy on overall risk management and cover the main risks in line with the objectives, strategy, and risk tolerance

of the business. This is to provide an operational framework for the risk management process of everyone in the organization to be in the same direction and propose to the Board of Directors for consideration by ensuring that the company and its subsidiaries can identify risks by considering both external and internal factors that may result in the company and its subsidiaries leading to not being able to achieve the set objective.

- 5.2.3 Review the company's appropriate and effective business risk management policy.
- 5.2.4 Prepare the report of the Risk Management and Sustainable Development Committee as well as propose it to the Board of Directors as deemed appropriate or upon request.
- 5.2.5 Consider and approve the results of the risk assessment, guidelines, measures, and risk management plan in order to ensure that the company has adequate and appropriate risk management.
- 5.2.6 Supervise and support the company's risk management in order to achieve the set objective and target. The Risk Management and Sustainability Committee will regularly monitor the operation plan to reduce risk and take into account the use of resources and actions appropriate for business operations in order to ensure that the incurred risk is adequately and appropriately managed. The Risk Management and Sustainable Development Committee will fully support the work of the Risk Management and Sustainable Development Subcommittee and/or Risk Management too.
- 5.2.7 Review the adequacy of the company's and its subsidiaries' policies and risk management systems, including the effectiveness of the system and compliance with the prescribed policy.
- 5.2.8 Provide suggestions to the Board of Directors on matters that need to be improved in order to be in line with the policy and strategy set by the Board of Directors.

- 5.2.9 Give an opinion and a suggestion in case the company needs to hire a third party to assist in the performance of certain areas where the company has specialized personnel and/or insufficient knowledge and expertise in order to perform its duty and achieve the results set by the plan. However, such commissioning must only be done on an occasional basis.
 - 5.2.10 Risk Management and Sustainable Development Committee must be considered and reviewed. The suitability of the charter is regularly assessed on an annual basis, at least once a year, in order to ensure that the contents of the charter are in line with the objective, operational strategy, and changes in current law, as well as present them to the Board of Directors for approval.
 - 5.2.11 Perform any other duties as assigned by the Board of Directors.
- 5.3 Maintaining good corporate governance for the company
- 5.3.1 Formulate a sustainable business development policy that takes into account the environment, society, economy, and good corporate governance, including climate change, in accordance with the guidelines set by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission for stable and sustainable business growth.
 - 5.3.2 Formulate the company's good corporate governance policy and guidelines in accordance with the principle of good corporate governance for listed companies as prescribed by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, as well as the code of conduct and social responsibility policy of the company and its subsidiaries to be presented to the Board of Directors.
 - 5.3.3 Advise the Board of Directors on matters related to good corporate governance, sustainable business development, business ethics, and social responsibility.
 - 5.3.4 Determine the key principles and practices of a good corporate governance process that are suitable for business and international practice.

5.3.5 Review and propose to the Board of Directors the good corporate governance policy, the Code of Business Ethics Policies and Guidelines for Sustainability Management, including the operation of caring for all stakeholders, and any other policies or practices that will support the company's operation in accordance with the guidelines of good governance to be suitable for the business of the company and its subsidiaries.

5.3.6 Direct the management department to supervise, disseminate, or communicate the principles of good corporate governance and relevant practices to all stakeholders, including the company, shareholders, officers, employees, customers, partners, society, and the environment, for use as guidelines and to be known to the public.

6. Risk Management and Sustainable Development Committee Meeting

6.1 The Risk Management and Sustainable Development Committee must have a meeting at least twice a year by considering the necessity and appropriateness. However, the Chairman of the Risk Management and Sustainable Development Committee may consider additional meetings as a special agenda appropriately.

6.2 In the invitation to the Risk Management and Sustainable Development Committee, the Chairman of the Risk Management and Sustainable Development Committee must set the agenda, and the Secretary of the Risk Management and Sustainable Development Committee must be responsible for sending the invitation letter together with the agenda and supporting documents to the Risk Management and Sustainable Development Committee at least 7 days before the meeting date in order for the Risk Management and Sustainable Development Committee to have sufficient time to study the information before attending the meeting, except in cases of urgent necessity to protect the rights or interests of the company. The Chairman of the Board of Directors or his or her assignee may notify the meeting by other means and set the date of the meeting earlier.

However, instead of sending the invitation letter and supporting documents to all the company's directors, the Secretary of the Risk Management and Sustainable Development Committee may send them by electronic mail. A copy of the invitation

letter and supporting document must be kept as evidence, which may be considered in electronic form.

- 6.3 The quorum of the Risk Management and Sustainable Development Committee must consist of not less than half of the total number of Risk Management Committees in order to reach a quorum.

However, the Risk Management and Sustainable Development Committee meeting may be held through electronic media. The meeting must comply with other relevant rules and regulations, providing for the recording of video and audio, including electronic traffic information, throughout the meeting.

- 6.4 The Chairman of the Risk Management and Sustainable Development Committee must be the Chairman of the Committee acting as the chairman of the meeting. In the case of the Chairman of the Risk Management and Sustainable Development Committee is not present at the meeting or is on a mission and cannot attend the meeting, then the Risk Management and Sustainable Development Committee must appoint one of them to chair the Risk Management and Sustainable Development Committee meeting.

- 6.5 The decision of the Risk Management and Sustainable Development Committee meeting must be made by a majority vote of all the Risk Management and Sustainable Development Committee members attending the meeting. In voting, a member of the Risk Management Committee must have one vote in the vote, unless the Risk Management Committee member who has an interest in any matter does not have the right to vote on that matter. However, if the votes are equal, the chairman of the meeting will cast another vote as the final vote.

- 6.6 The Secretary of the Risk Management and Sustainable Development Committee or a person designated by the Risk Management and Sustainable Development Committee must prepare the minutes of the meeting in which must be certified by the Risk Management and Sustainable Development Committee. The Chairman of the Risk Management and Sustainable Development Committee is responsible for reporting the result of the meeting to the Board of Directors.

6.7 The Risk Management and Sustainable Development Committee has the authority to invite the company's directors, executives, employees, or related persons to attend the meeting, clarify, discuss, or answer questions as appropriate.

7. Report of the Risk Management and Sustainable Development Committee

The chairman of the Risk Management and Sustainable Development Committee has the duty and responsibility to report to the Board of Directors in relation to the activities of the Risk Management and Sustainable Development Committee. The company must prepare the report of the Risk Management and Sustainable Development Committee for disclosure in the company's annual report and signed by the Chief Risk Officer.

8. Performance Evaluation

In order to comply with the principle of good corporate governance, the Risk Management and Sustainable Development Committee will conduct an evaluation of the performance of the Risk Management and Sustainable Development Committee at least once a year in the form of individual evaluation (self-assessment), and individual evaluation to be used as a framework for reviewing performance. In addition, the company has made suggestions in order to improve and develop the operation of the Risk Management and Sustainable Development Committee to be effective for the benefit of shareholders and the organization.

This Charter of the Risk Management and Sustainable Development Committee was approved by the Board of Directors' Meeting No. 1/2024 on February 16th, 2024, and shall take effect from February 16th, 2024, onwards.

Announced on 16th February 2024

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(Mr. Vallop Rungkijvorasathien)

Chairman of the Board of Directors

Stecon Group Public Company Limited