

Risk Management Committee Charter



Smart Digital Public Company Limited

(This revision was approved by the Board of Directors' Meeting No. 1/2025 on February 20, 2025)

Risk Management Committee Charter

1. Objective

The Risk Management Committee was appointed to support the Board of Directors in determining appropriate, sufficient, and effective risk management policies and overseeing to ensure that overall risk management system or process is at an acceptable level.

2. Composition and qualifications

The Board of Directors is responsible for the appointment of the Risk Management Committee by electing at least 3 appropriate persons from the members of the Board of Directors, simultaneously, to consider and appoint the Chairman of the Risk Management Committee from the committee members.

The qualifications of the Risk Management Committee are as follows:

1. Have knowledge, capable, experience and expertise in the Company's business including integrity, business ethics and time to devote his knowledge and ability to perform duties for the Company.
2. Have qualifications and not being under any of the prohibitions under the Public Company Act B.E.2535 (including amendments) and not lacking trustworthy characteristics as specified by the Securities and Exchange Commission.
3. Not undertaking any business or being a partner or director of other juristic persons of the same nature and in competition with the Company's business whether doing it for the benefit of itself or others, except for the notification to the shareholders' meeting before the appointment.

3. Term

Term of each member is 1 year. The Nominating and Compensation Committee will annually consider and select appropriate persons from the members of the Board of Directors for further consideration and appointment from the Board of Directors in the first board meeting after Annual General Meeting of Shareholders. However, the retired members are eligible to be re-elected for another term.

4. Roles and Responsibilities of the Risk Management Committee

1. Set clear business directions, identify, analyze and investigate significant risk factors as well as determine strategy for managing those risks to the Company's acceptable risk level.
2. Set the risk management policy and propose for approval from the Board of Directors to use as guideline for each division according to its responsibility with the following 4 aspects:
 - 1) Financial Risk
 - 2) Operational Risk
 - 3) Strategic Risk
 - 4) Compliance Risk
3. Supervise to ensure effective communication of such measures thoroughly the Company and employees continuously comply with those measures.
4. Review the roles and responsibilities of the Risk Management Committee in accordance with the situation.
5. Provide efficiently assessment and review of possible damage that may occur to ensure that risk exploration covers all processes of the business operations.
6. Support and develop risk management to cover throughout the organization and ensure that it is complied with the international standard.
7. Provide professional opinions from external consultants as necessary with company's expense.
8. Perform any other activities as assigned by the Board of Directors.

5. Meeting

1. The Risk Management Committee shall convene the meeting as necessary and appropriate at least twice a year.
2. The agenda and meeting documentation should be delivered to the members of the Risk Management Committee at least 7 days in advance of the meeting for consideration except in urgent case.
1. A constitution of quorum of the Risk Management Committee's meeting is required attendance of members at least 50%. In the event the Chairman of the Sustainable Development Committee is not present or unable to discharge his duties, other members present shall elect one of their members as the Chairman of the meeting.
2. The resolution of the Risk Management Committee's meeting shall be passed by the majority votes of the members who attend the meeting. The member who has interest in any agenda cannot exercise the right of such voting. In case of equality votes, the Chairman shall have a casting vote.

6. Reporting

The Risk Management Committee shall from time to time report its performances to the Board of Directors and provide annual performances report to shareholders in the Annual Report with the following details:

1. Number of the Risk Management Committee's meetings.
2. Meeting attendance of each member.
3. Performance of the Committee as defined in the charter.