



Charter of the Risk Management Committee

FN Factory Outlet Public Company Limited

(Revised Edition No. 2 on March 8, 2022)

Charter of the Risk Management Committee

1. Objectives

Risk management committee is one of an important tool to manage the company operation, they will support and act on behalf of board of directors base on good corporate governance which relates to corporate vision, mission and goal. They shall provide COSO enterprise risk management framework or COSO ERM, support and promote risk management all activities as well as a part of corporate culture to obtain stakeholders' confident that the company will conduct its strategy and able to achieve goal and objectives which align with good governance policy and corporate business ethic.

2. Risk Management Committee Composition and Properties

The Risk Management Committee shall be appointed by the Board and shall consist of at least 3 members whereby all members of the Risk Management Committee shall be the Company's directors. The number of independent directors and non-executive directors serving on the Risk Management Committee should constitute the majority of the Committee or should be as deemed appropriate by the Board. A member of the Risk Management Committee shall be appointed as the Chairman of the Risk Management Committee by the Board.

Qualifications of the Risk Management Committee Must be knowledgeable be honest and ethical. There is enough time to devote to the company's duties and has all the qualifications that are not prohibited by the relevant laws.

3. The compositions of the Risk Management Committee Members

3.1 The office term of each member of the Risk Management Committee shall be 3 years and they may be re-appointed as deemed appropriate by the Board.

3.2 Members of the Risk Management Committee shall vacate their office upon their office term completion or their resignation. The Board shall appoint an individual to fill the vacant seat. The term of the replacement shall be equal to the remainder of the term of the member whom he/she replaces.

4. Tenure of the Risk Management Committee Members

4.1 Formulate the Risk Management Policy as well as review and endorse the risk appetite prior to proposal thereof to the Board for approval.

4.2 Oversee compliance with the Risk Management Policy approved by the Board.

4.3 Continuously improve the risk management framework to ensure effective enterprise-wide risk management system and implementation.

- 4.4 Review the risk management report to monitor material risks and ensure that the Company's risk management system is adequate and appropriate.
- 4.5 Work with the Audit Committee on key risk issues to ensure that the Company's internal control system is effective for risk management and the risk management system is appropriately implemented enterprise-wide.
- 4.6 Report risk issues and material risk management to the Board.
- 4.7 Provide advice and consultation to departments, individuals or working teams responsible for risk management and consider appropriate approaches to developing the risk management system.
- 4.8 Appoint employees or working team responsible for risk management activities as appropriate and define their roles, duties and responsibilities to support successful execution.
- 4.9 When necessary The Risk Management Committee can seek independent opinions and recommendations. From any other professional consultants with reasonable company expenses.
- 4.10 Review of the Risk Management Committee Charter to be consistent with the circumstances. At least one (1) time a year, including assessing the performance of the Risk Management Committee and propose to the Board of Directors for consideration.
- 4.11 Perform any other acts relating to risk management as assigned by the Board.

5. Report

Risk Management Committee Responsible to the Board of Directors

6. Meeting

- 6.1 The Risk Management Committee, the meeting must be held at least two a year, where additional meetings can be called if it deems appropriate.
- 6.2 At a Risk Management Committee meeting, not less than one-half (1/2) of the total number of directors must be present to constitute a quorum. The Risk Management Committee shall preside over the meeting. In case the chairman of Risk Management Committee is not present or unable to perform his/her duties, the Risk Management Committee present at the meeting shall elect one Risk Management Committee as the presiding chairman.
- 6.3 The Risk Management Committee meeting shall be made by a majority vote, in which one person has the right to vote one (1) vote and the director who has interests in any matter shall not be entitled to vote on such matter.
- 6.4 The Risk Management Committee is able to meet the relevant persons in the meeting to clarify facts and provide information or documents to the Risk Management Committee for consideration of risk management.

This 2nd Amendment Charter was approved by the Board of Directors of FN Factory Outlet Public Company Limited, effective from 8 March 2022 onwards.

Announced on 8 March 2022

A handwritten signature in blue ink, appearing to read 'Pricha Songwatana', with a stylized flourish at the end.

(Mr. Pricha Songwatana)

Chairman of the Board of Directors