Charter of the Risk Management Committee

1. Purpose

The Board of Directors of Proud Real Estate Public Company Limited recognises the importance of good corporate governance and has therefore appointed the Risk Management Committee to establish the Company's enterprise-wide risk management policy. The Committee is responsible for overseeing the Company's risk management systems and processes to ensure that the Company achieves the objectives and targets established by the Company. The Committee also supports the Company's operations, builds confidence among stakeholders, and promotes the Company's sustainable growth.

2. Composition, Appointment, and Qualifications

2.1 The Risk Management Committee shall be appointed by the Board of Directors of Proud Real Estate Public Company Limited and shall report directly to the Board of Directors.

2.2 The Risk Management Committee shall comprise at least three directors of the Company, of whom at least one shall be an independent director.

2.3 The Board of Directors shall appoint the Chairperson of the Risk Management Committee. The Risk Management Committee shall consider and appoint a person who has the qualifications, skills, and expertise in risk management, or the Head of the Risk Management Unit, to be the Secretary to the Risk Management Committee.

3. Scope of Duties and Responsibilities

3.1 Establish and review the Risk Management Policy, the Charter of the Risk Management Committee, and the enterprise risk management framework of the Company and its affiliated companies, and submit them to the Board of Directors for approval.

3.2 Oversee the management of significant enterprise risks that may affect the Company's policies, operations, reputation, or corporate image to ensure that such risks remain within acceptable levels at an appropriate cost.

3.3 Consider and review risk management approaches and tools to ensure that they are effective and appropriate for the nature and scale of each type of risk associated with the transactions undertaken by the Company.

3.4 Consider and approve risk assessment criteria, acceptable risk levels and Trigger Points, and risk management plans and strategies covering significant categories of risk, including strategic risk, operational risk, financial risk, and compliance risk, as well as other risks, including fraud and corruption risk, reputational risk, information technology risk, and sustainability risk.

3.5 Consider and provide comments on the evaluation of enterprise risk management and ensure that the Company manages significant risks, as well as fraud and corruption risks, adequately and appropriately. The Committee shall also monitor significant enterprise risks when the assessment results exceed the acceptable risk levels or reach the Trigger Points established by the Company.

3.6 Communicate information on risks and risk management processes and develop employees' knowledge and understanding in these areas.

3.7 The Risk Management Committee may seek advice from experts to support the effective performance of its duties under this Charter at the Company's expense.

3.8 The Risk Management Committee shall have the authority to invite executives or relevant persons to attend meetings to provide clarification or additional information on risks and the performance of duties within their areas of responsibility, as the Committee considers appropriate.

3.9 The Risk Management Committee shall report its risk management activities to the Board of Directors and perform any other duties assigned by the Board of Directors.

4. Term of Office

4.1 Members of the Risk Management Committee shall hold office for a term of three years. A member who vacates office upon expiry of the term may be reappointed, subject to the approval of the Board of Directors.

4.2 A member of the Risk Management Committee shall vacate office upon:

1. expiry of the term of office;
2. resignation;
3. death; or
4. removal from office by a resolution of the Board of Directors.

4.3 Where a member of the Risk Management Committee is unable to complete their term of office, the Board of Directors shall appoint a replacement member immediately or, at the latest, within three months from the date on which the Committee becomes incomplete, in order to ensure continuity of its operations. A person appointed to replace that member shall hold office only for the remainder of the term of the member whom they replace.

5. Meetings and Reporting

5.1 The Risk Management Committee shall hold regular meetings at least once a year and/or additional special meetings as appropriate.

5.2 A quorum at each meeting shall consist of not less than one-half of the number of Risk Management Committee members attending that meeting.

5.3 If the Chairperson of the Risk Management Committee does not attend a meeting or is unable to perform their duties, the members present at the meeting shall elect one member to act as Chairperson of the meeting.

5.4 The Secretary to the Risk Management Committee or the Risk Management Unit shall arrange meetings, prepare meeting agendas, distribute supporting documents, and record the minutes of each meeting.

5.5 A member who has an interest in any matter under consideration shall not participate in the consideration of or vote on that matter.

5.6 The Chairperson and each member of the Risk Management Committee shall have one vote. Resolutions shall be passed by a majority vote. In the event of an equality of votes, the Chairperson of the Risk Management Committee shall have an additional casting vote. The Secretary to the Risk Management Committee shall have no voting rights.

5.7 At each meeting of the Risk Management Committee, the Chairperson of the Risk Management Committee or a person authorised by the Chairperson may determine that the meeting be held by electronic means. The meeting shall comply with applicable laws and shall have the same effect as a meeting at which the members are present at the same venue, in accordance with the procedures prescribed by law and this Charter.

6. Self-Assessment

The Risk Management Committee shall conduct a self-assessment at least once a year and report the assessment results to the Board of Directors for acknowledgement. The assessment results shall be used to improve the effectiveness of the Committee's operations and ensure that the Committee achieves its objectives.

7. Charter Review

The Risk Management Committee shall regularly review the appropriateness of this Charter at least once a year to ensure that its contents remain aligned with the Company's objectives and risk management strategy.

8. Transitional Provision

The authority, duties, responsibilities, and operational framework of the Risk Management Committee prescribed in this Charter shall apply to Proud Real Estate Public Company Limited, its subsidiaries, and/or its affiliated companies. However, where any subsidiary and/or affiliated company has established its own Risk Management Committee, the authority, duties, responsibilities, and operational framework prescribed in this Charter shall rest with the Risk Management Committee of that company.

Signature………………………………………………

Chairman of the Board of Directors

Proud Real Estate Public Company Limited