



Central Plaza Hotel Public Company Limited

Charter of Business Unit Risk Management Committee

(Review Year 2024)

Approved by Board of Directors Meeting NO. 1/2024

on 26 February 2024

Prepared by Risk Management Department

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Central Plaza Hotel Public Company Limited

1. Introduction

The primary business objective of the Central Plaza Hotel plc. is to increase the economic value for all its Stakeholders (that includes Shareholders, customers, suppliers, and other business partners, and its employees) as well as being responsible for society and the common good. Nevertheless, in undertaking its business activities the Company faces numerous risks, which may increase as well as decrease the economic value of the Company. Therefore, CENTEL realizes the critical importance of having a sound risk management system as a vital tool for its Management in effectively identify and efficiently manage any perceived risk factors.

2. Purpose

To enable the Company to achieve business growth on a sustainable basis, the Board of Directors has determined a set of policies relating to effective management of risks within the framework of Good Corporate Governance principles and practices. This enables the Company to separate the role and responsibilities of those charged with managing risks from those who operate the various business units in which risks will occur, so that the Company can effectively and efficiently manage such risks. The Board of Directors has, therefore, established a Risks Management Committee, to be confident that:

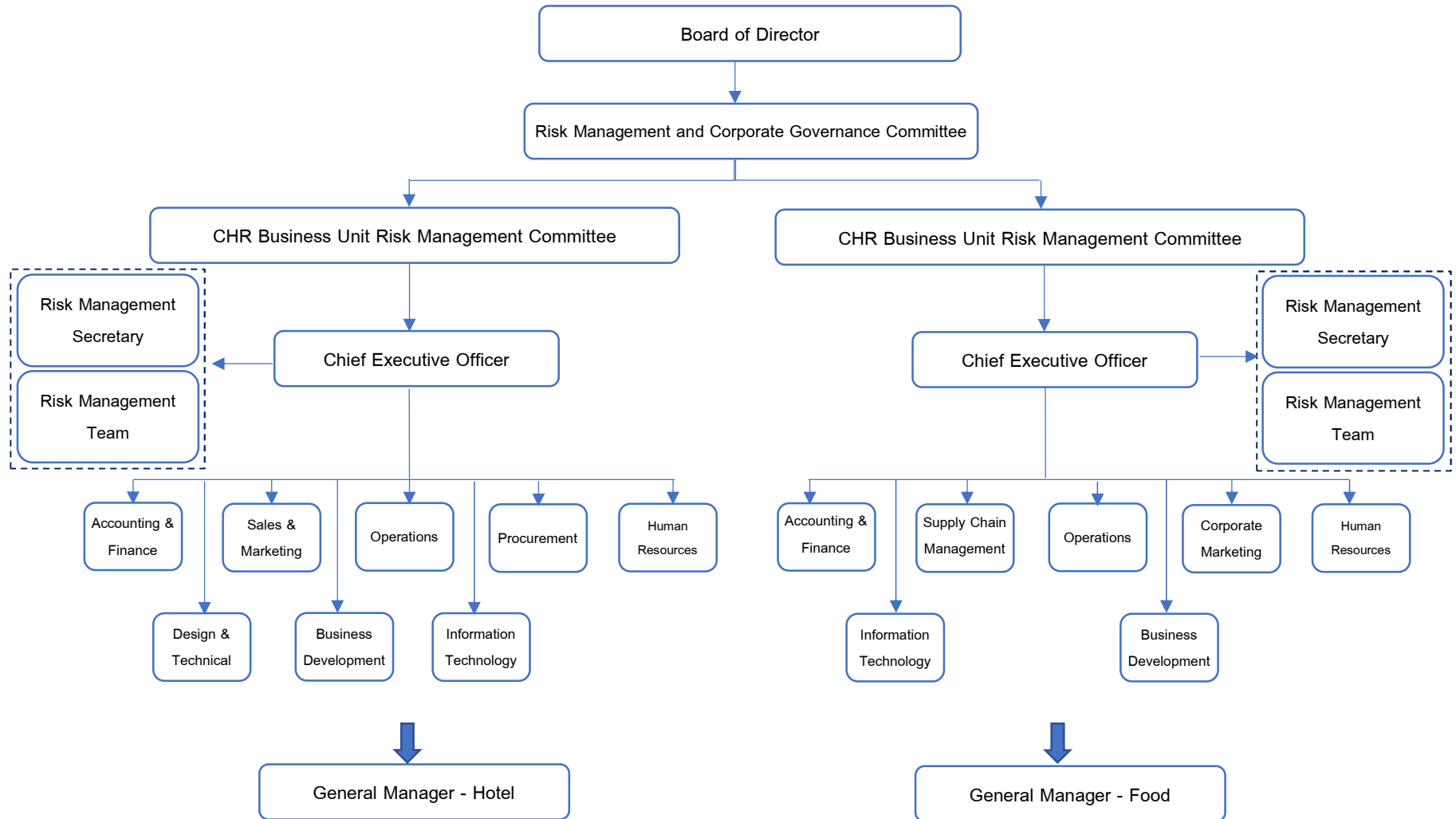
- The Company can achieve the agreed business objectives and goals, and thus be able to satisfactorily meet the expectations of all its Stakeholders. Additionally, the Company can achieve a correct balance between perceived risks and the financial returns from its business activities through effectively managing, limiting, and maintaining the risks at acceptable levels (risk appetite).
- Management always understands and is fully aware of the various risks that can affect their business operations – both within Thailand and overseas; whereby all risks must be assessed relative to the apparent business opportunities and the potential adverse impacts, as well as must be effectively managed to be at risk appetite.
- The Company operates its business in full compliance with all the applicable legal and regulatory requirements.

- Through implementing correct responses and appropriate measures relating to any risks or crises that may occur, which will effectively minimize such risk and/or any possible disruption to the business operations as much as possible.
- All expected risk factors that may affect the full achievement of agreed Company objectives and goals are effectively addressed through:
 - Timely identification and reporting to the Board of Directors meetings.
 - Proper assessment as to the overall costs involved and the benefits to be gained from effective management of any risk and/or minimization of such risk to be at risk appetite.
 - Undertaking all appropriate action to manage or reduce such risk, so that the Company can, to a certain degree, be confident that it has taken all necessary protective measures against any possible unacceptable losses.
 - Regular follow up on and regular monitoring of all risk management activities, to ensure that all expected risks are being appropriately addressed and managed.

3. Risk Management Structure

The following risk management structure is part of the overall risk management practices of the Company, whereby the role and responsibilities as well as authority to make decisions of the various teams and staff have been defined (as described below), so that the Company can be confident that it has authorized those possessing the appropriate knowledge and sufficient capability to successfully managing risks.

Risk Management Structure of Central Plaza Hotel Public Company Limited



4. Composition of Risk Management and Corporate Governance Committee

4.1 The Business Unit Risk Management Committee members are to be appointed by the CEO, and will consist of:

- 1) Chairman
- 2) Secretary of the Committee
- 3) Executive Directors from the various operating business units

4.2 The Chairman of the Business Unit Risk Management Committee will be the CEO.

4.3 The Secretary of the Business Unit Risk Management Committee is to be appointed by the CEO.

4.4 All Hotels and Brands GMs and Department Heads are to be members of the Business Unit Risk Management Committee: Hotel Business and Food Business, with a GM to be appointed as the Chairman.

4.5 The Secretary of the Business Unit Risk Management Committee must attend every meeting; whereby Senior Management members may be invited to attend, as appropriate and necessary, by the Committee.

5. Meetings Quorum and Voting

5.1 The Business Unit Risk Committee will normally have meeting at least once a quarter.

5.2 The quorum of the Business Unit Risk Management Committees must consist of no less than half of the Business Unit Risk Management Committee members.

5.3 In case the Chairperson of the Business Unit Risk Management Committee is not present at the meeting or unable to perform his/her duty, the Business Unit Risk Management Committee members present at the meeting are required to select one member to become the Chairperson of the meeting.

5.4 The resolution of the meeting shall be passed by majority votes of the members present at the meeting.

5.5 Each member has one (1) vote. Any member who has a conflict of interest in any matter for consideration has no right to vote on such matter. If there are equal votes, the Chairperson of the meeting has a casting vote.

5.6 Before the Business Unit Risk Committee meeting, each executive unit is responsible for submitting risk information in the area and scope of responsibility. The information must be

sent to the secretary of the Business Unit Risk Management Committee at least seven (7) days prior to the meeting.

5.7 In order to call the Business Unit Risk Management Committee, the Chairperson of the Business Unit Risk Management Committee or designated the secretary to the Business Unit Risk Management Committee shall send the meeting notice along with items and relevant documents to all members of the Business Unit Risk Management Committee no less than three (3) days prior to the meeting documents. Except in case of necessity and urgency to preserve the right and benefit of the Company, the meeting may be called at shorter notice.

6. Authorities, Duties, and Responsibilities

6.1 Business Unit Risk Management Committee

Risk Management Activities

- Define and implement strategic plans that are in accordance with the risks appetite as well as within the established risks management framework of the Company, as defined by the Board of Directors and the Risk Management and Corporate Governance Committee.
- Follow up on and monitor the results from such policies and strategic action plans as well as review the effectiveness and efficiency of related risks management actions, to ensure that the risks have been managed and are within the established risks appetite of the Company.
- Senior Management members are required to submit for consideration any perceived significant risks within his/her area of responsibility or Department as well as any associate risks management measures together with their results.
- Make decisions and recommendations on any issues relating to risks management procedures at the business unit level.
- Support and promote the appropriate risks management-oriented mindset and culture within the organization.

Governance Activities

- Define as well as review relevant policies, guidelines, and operating procedures to conform to the principles and practices of good corporate governance. Hold meetings to monitor the progress made with regard to planned good corporate governance

practices; together giving necessary support, as required, to the corporate governance working group, as well as reviewing and evaluating internal activities based on the principles of good governance so that recommendation for improvements to specific issues can be made.

Sustainable Development Activities

- Determining the policies, objectives and goals relating sustainable development of the company's businesses. Drive the establishment and implementation of various policies and activities relating to Corporate Social Responsibility (CSR) with regards to the economy, society, and environment, including health and safety standards internally throughout the Company. Overseeing and ensuring that information disclosures on sustainable development made to all Stakeholders groups are accurate, correct, and comprehensive.

6.2 Business Unit Risk Management Working Group: Hotel Business and Food Business

- Management and staff have a joint responsibility in identifying risks factors that may potentially impact the organization in terms of strategies and operations as well as regarding financial matters and the reputation of the organization.
- Department Heads are required to first proposed appropriate measures to manage identified risks to the Business Unit Risks Management Committee for eventual approval by the Business Unit Risks Management Committee.
- Determine who will be responsible for the implementation of the approved risks management measures.
- Follow up on and monitor the results from such approved measures, to ensure and assess that the risks have been effectively managed.
- Closely monitor the process of identifying any new perceived risk factors or of any changes to those risk factors already identified, through continual assessment of the business environment that may change from time to time.

6.3 Risk Management Working Group

- Identify and propose an effective risks management framework to Enterprise Risks Management and CG Committee for consideration and approval.
- Coordinate the various risks management activities throughout the Company, so that they are uniform and fully synchronized in the same direction.

- Support the formulation of the risks management framework and policies together with their implementation, as well as monitor their progress on a regular basis.
- Make recommendations to the operating units regarding effective risks management measures.
- In the event of being requested, act as a “facilitator” for any risk management workshops.
- Coordinate and ensure that continuous improvements are made to any risks management policies and practices of the organization.
- Undertake to collate and assess all identified risks factors throughout the Company for reporting to the Enterprise Risks Management and CG Committee and the Board of Directors accordingly.
- Study and assess all the various internal and external risk factors that could impact the Company, as well as discuss, with Management, the appropriate risks management measures to be implemented.
- Coordinate regular meetings to propose and discuss risks management related issues, as well as facilitate risks management workshops.
- Conduct and/or coordinate appropriate training sessions on risks management operations, monitor the implementation of risks management actions, and report to the Risks Management Committee regarding the current risk management situation or status.

The charter of the Business Unit Risk Management Committee Review Year 2024 was approved by Board of Directors Meeting NO. 1/2024 on 26 February 2024 and has been in effect since the approval date.

Mr. Suthikiati Chirathivat
Chairman of the Board
Central Plaza Hotel Public Company Limited