

## **Charter of the Audit Committee**

### **1. Objectives**

The Board of Directors has established the Charter of the Audit Committee to provide guidelines for the Audit Committee to perform its duties efficiently, and to ensure that all related parties and stakeholders understand composition, qualifications and scope of authorities, duties and responsibilities of the Audit Committee.

### **2. Composition**

- 2.1 The Audit Committee shall consist of at least three(3) members who are independent directors of the Company. At least one(1) member of the Audit Committee must have knowledge and understanding in accounting or finance and is sufficiently experienced in performing duty in reviewing reliability of financial statements.
- 2.2 The Board of Directors shall consider selecting and appointing a member of the Audit Committee to chair the Audit Committee.
- 2.3 The Audit Committee shall consider selecting and appointing a qualified person to act as its secretary.

### **3. Qualifications**

- 3.1 Each member of the Audit Committee must possess full qualifications of independent director as stipulated by the Company, which are in accordance with those defined by the Securities and Exchange Commission (the “SEC”) and the Stock Exchange of Thailand (the “SET”) as follows:
    - 3.1.1 Holding not more than 0.5 percent of total voting shares of the Company, its parent company, subsidiaries, associates, major shareholder or controlling person. This also includes shares held by related persons of such independent director.
    - 3.1.2 Not being or having been director who is involved in the management, worker, employee, consultant who receives salary, or the controlling person of the Company, its parent company, subsidiaries, associates, major shareholder or controlling person, either at the present time or within two(2) years prior to his/her appointment as an independent director.
    - 3.1.3 Not being a person related by blood or legal registration in the manner of being father, mother, spouse, sibling, or child, including spouse of child, other directors, executive, major shareholder, controlling person, or person to be nominated as director, executive or controlling person of the Company or its subsidiaries.
    - 3.1.4 Not having or having had a business relationship with the Company, its parent company, subsidiaries, associates, major shareholder or controlling person in a manner that may interfere with his/her independent judgment, and not being a significant shareholder (holding more than 10 percent of all shares with voting rights of the Company, including shares held by related persons) or controlling person of any person having a business relationship with the Company, its parent company, subsidiaries, associates, major shareholder or controlling person, either at the present time or within two(2) years prior to his/her appointment as an independent director.
- The term ‘business relationship’ in the preceding paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets

or services, granting or receiving financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar actions, which result in the applicant or his/her counterparty being subject to indebtedness payable to the other party in the amount of three(3) percent or more of the net tangible assets of the applicant or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness incurred during the period of one year prior to the date on which the business relationship with the person commences.

- 3.1.5 Not being or having been an auditor of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, associate, major shareholder or controlling person, either at the present time or within two(2) years prior to his/her appointment as an independent director.
- 3.1.6 Not being or having been a provider of any professional services including legal advisor or financial advisor who receives service fees exceeding two million baht per year from the Company, its parent company, subsidiaries, associates, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, either at the present time or within two(2) years prior to his/her appointment as an independent director.
- 3.1.7 Not being director appointed as the representative of other directors of the Company, major shareholders, or shareholders related to the Company's major shareholders.
- 3.1.8 Not undertaking any business in the same nature and in competition with the business of the Company or its subsidiaries, or not being a significant partner in a partnership or director with management authority, employee, staff member or advisor who receives salary or holds shares exceeding one(1) percent of the total number of shares with voting rights of another company which undertakes business in the same nature and in competition with the business of the Company or its subsidiaries. This also includes shares held by related persons of such independent director.
- 3.1.9 Not having any other characteristic that limits ability to independently express opinions regarding the Company's operations.
- 3.2 Each member of the Audit Committee must not take position as director of the Company's parent company, subsidiaries, or same-tier subsidiaries, for listed companies only.
- 3.3 Each member of the Audit Committee must have sufficient knowledge and experience to fulfill assigned duties, must be honest, reliable, and generally acceptable person, and must be able to devote sufficient time to perform duties of the Audit Committee.

#### **4. Appointment, term of office, and termination**

- 4.1 The Audit Committee shall be appointed by the Company's Board of Directors or by meeting of shareholders.
- 4.2 Each member of the Audit Committee may hold his/her office for as long as he/she is serving as the Company's independent director. The Audit Committee member whose term of office expires may be re-appointed as a member of the Audit Committee by the Board of Directors. However, their membership shall not be automatically renewed.

- 4.3 Other than completion of office term as mentioned above, a member of the Audit Committee shall vacate office upon:
- (a) death,
  - (b) resignation,
  - (c) lack of qualifications of the Audit Committee as prescribed this Charter, or as stipulated by the SEC or the SET,
  - (d) termination of the Company's directorship, or
  - (e) removal from resolution of the Board of Directors.
- 4.4 Any member of the Audit Committee wishing to resign from office must submit a resignation letter, stating reason for resigning, to the Chairman of the Board of Directors not less than 30 days in advance. The resignation will take effect from the date specified on the resignation letter.
- 4.5 A member of the Audit Committee whose term expires shall further perform as an acting member until a new member is appointed in replacement, except that he/she is not re-appointed once his/her directorship expires
- 4.6 In the event that position of the Audit Committee becomes vacant for other reasons than office term completion, the Board of Directors shall appoint independent director(s), who is fully qualified as specified in 3., as the substitute member. In such case, the substituted member shall hold office only for the remaining term of office of the member whom he/she replaces.
- 4.7 In the event that position of the Audit Committee becomes vacant for reasons of office term completion or other reasons than completion of office term, causing number of the Audit Committee members has fewer than three(3) members requires, the Board of Directors shall appoint qualified independent directors to replace them immediately or within 90 days of the shortfall to ensure continuity of the Audit Committee's work and to meet the SET's requirement about qualifications for maintaining the listing status.
- 4.8 In the event that total members of the Audit Committee resign, all members of the Audit Committee shall further perform duties as Acting Audit Committee until the new Audit Committee is appointed in replacement.

## **5. Scopes of authorities, duties and responsibilities**

- 5.1 Review financial reporting process of the Company and its subsidiaries to ensure that it is accurate, adequate and meets accounting and financial reporting standards.
- 5.2 Review interim financial statements and present them to the Board of Directors for approval before filing with regulators. Review annual financial statements and present them to the Board of Directors for endorsement before presenting to shareholders' meeting for approval.
- 5.3 Review to ensure that business operations of the Company have complied with the law of Public Limited Companies, the law of Securities and Exchange, the notifications of the Market Capital Supervisory Board, the SET's requirements and any laws related to the Company's business.
- 5.4 Review to ensure that the Company has effectiveness and appropriateness of internal control system and internal audit function.
- 5.5 Consider the independence of the internal audit unit. Approve the appointment, transfer, and dismissal, as well as work with the President or the person holding the highest position of the management to evaluate performance of the head of internal audit unit or any other unit responsible for internal audit.
- 5.6 Consider and approve annual internal audit plan and all major changes to the plan. Review internal audit reports; as well as consider and monitor major findings by internal auditors.

- 5.7 Consider, select, and propose appointment or dismissal of independent persons to act as the Company's external auditor. Consider their retention and recommend to the Board of Directors before tabling to the shareholder's meeting for approval.
- 5.8 Liaise and review with the external auditor regarding audit objectives, audit scope, audit procedures, difficulties encountered during the audit, and any significant issues or recommendations the external auditor may have; as well as attend non-management meeting with the external auditor at least once a year.
- 5.9 Consider and review connected transactions or transactions that may lead to conflicts of interest of the Company and its subsidiaries to ensure that they have complied with law, the Notification of the Capital Market Supervisory Board, and the SET's regulations, and are reasonable and for the best interest of the Company; and review to ensure that information disclosure of those transactions is accurately, completely, and in accordance with laws and the SET's regulations.
- 5.10 Review to ensure that the Company has good corporate governance, and appropriate and risk management process.
- 5.11 Within its scope of authorities and duties, the Audit Committee may request that auditors, president, senior executives, or relevant employees of the Company provide opinions, be present at Audit Committee meetings, or submit any pertinent documents, as it deems necessary or desirable.
- 5.12 Within its scope of authorities and duties, the Audit Committee may request that auditors, members of the management or relevant employees of the Company provide opinions, be present at Audit Committee meetings, or submit any pertinent documents, as it deems necessary or desirable.
- 5.13 Conduct self-performance assessment annually at least one time a year.
- 5.14 Regularly consider, review, and assess the adequacy of the Audit Committee Charter. Revise or change to make it suit for circumstances; and recommend proposed changes to the Board of Directors for approval.
- 5.15 Perform other duties as assigned by the Board of Directors within the scope of authorities, duties, and responsibilities of the Audit Committee.

## **6. Meeting**

- 6.1 The Audit Committee shall meet at least four(4) times a year to consider financial statements, internal audit plan, internal audit report, etc. Additional meetings can be convened, as the Audit Committee deems necessary, or circumstances require.
- 6.2 To form a quorum in the meeting, at least half of the Audit Committee members must be present.
- 6.3 The Audit Committee's resolution shall be passed by the majority votes of the Audit Committee members, who attend the meeting. One member has one vote. In case of a tied vote, the chairperson of the meeting will cast the decisive vote. Any member of the Audit Committee who has interest in any matters under consideration must not express opinions and must abstain from voting on such matters. The opinions of Audit Committee
- 6.4 The secretary to the Audit Committee is required to attend and take minutes of every audit committee meeting.

## **7. Reporting**

- 7.1 The Audit Committee shall make regular report, at least four (4) times annually, to the Board of Directors concerning its meeting resolutions, significant issues, activities, and performance.
- 7.2 The Audit Committee shall prepare and annually disclose the Audit Committee's report in the Company's annual report. The audit committee's report shall be signed by the Chairman of the Audit Committee and consists of the following information:
- number of the Audit Committee's meetings and number of attendances of such meetings of each committee member,
  - opinion(s) on the accuracy and reliability of the Company's financial report,
  - opinion(s) on the adequacy of the Company's internal control system,
  - opinion(s) on the compliance with the law on the Securities and Exchange Commission, the Stock Exchange of Thailand's regulations, or laws applicable to the Company's business,
  - opinion(s) on the suitability of the external auditors,
  - opinion(s) on the transactions that may lead to conflicts of interests,
  - opinion(s) obtained from performing duties of the Audit Committee in accordance with the Audit Committee Charter, and
  - Other matters that shareholders and general investors should know under the scope of authorities, duties and responsibilities assigned by the Company's Board of Directors.
- 7.3 In performing duties of the Audit Committee, if it is found or suspected that a transaction or any act that may materially affect the Company's financial status or operating results has taken place, the Audit Committee shall report it to the Board of Directors for rectification within a time frame that the Audit Committee deems suitable. Transactions and acts that must be reported are as follow:
- (1) Conflicts of interest
  - (2) Fraud or significant internal control failure
  - (3) Violation of laws, any regulations of the SEC and the SET the Securities, or other laws that relate to the Company's business

If the Audit Committee has reported such transaction or act that has material impact on the Company's financial status or operating results and has consulted with the Board of Directors and the management and agreed that such it needs to be rectified and if the Audit Committee finds that, after the timeframe agreed upon, such transaction or act has not been rectified with no justifiable reason provided, a member of the Audit Committee may report what they have found to the SEC and/or the SET.

This Charter of the Audit Committee has been approved by the resolution of the Board of Directors No. 1/2020 on February 26, 2020.