

## Audit Committee Charter

(As approved in the Board of Directors' Meeting No.5/2014 held on September 9, 2014)

### **1. Objectives of the Audit Committee**

The Audit Committee is a Committee of the Board of Directors which assists the Board of Directors in creating a good monitoring system within the business.

### **2. Composition of the Audit Committee**

- 2.1 The Audit Committee shall consist of at least three (3) independent members.
- 2.2 At least one (1) committee member must have sufficient knowledge and experience to review the reliability of the financial statements. His name shall be reported in Form 56-1 and Annual Report.
- 2.3 Upon retirement by rotation, replacement of members shall be recommended by Nomination and Remuneration Committee, and approved by the board meeting.

### **3. Appointment**

- 3.1 The Board of Directors shall appoint members of the Audit Committee, who must be independent directors of the company.
- 3.2 When the term of service of a committee member expires or there is any circumstance causing any committee member to be unable to hold office until expiration of the term of service, thus reducing the number of the committee members to less than three (3) persons, the Board of Directors' meeting should appoint new committee member(s) to fill the vacancy(ies) within three (3) months from the date of vacancy(ies) in the Committee, to ensure continuity of the performance of work of the Audit Committee.
- 3.3 The Board of Directors shall select one (1) member of the Audit Committee to be Chairman of the Audit Committee.
- 3.4 A Secretary to the Audit Committee shall be appointed to assist the Audit Committee in performing work pertaining to the summoning of meetings, preparation of agendas, delivery of supporting documents for the meetings and keeping of minutes.

### **4. Vacating from Office**

- 4.1 Vacating from office means termination of directorship, or expiration of the prescribed term of service, or resignation, or removal.
- 4.2 In the case that any committee member wishes to resign before the expiration of his term of service, he should give a notice thereof to the company one (1) month in advance together with reason therefor so that the Board of Directors' can consider appointing another director who is fully qualified to replace the resigning member. The company shall also report such resignation to the Stock Exchange of Thailand.

4.3 In the case that any committee member is removed before the expiration of his term of service, the company shall report such removal together with the grounds for such removal to the Stock Exchange of Thailand immediately. The committee member who is removed may also give explanation of the grounds for such removal to the Stock Exchange of Thailand.

## 5. Term of Service

5.1 The term of service of a committee member shall be three (3) years from the date of appointment.

5.2 A committee member may be re-appointed for additional terms as the Board of Directors' may think fit.

6. **Qualifications of the Audit Committee Members:** A committee member must possess full qualifications according to the criteria as follows:

- (a) Being an independent director with full qualifications as per the definition of independent directors as specified by the notification of the Capital Market Supervisory Board.
- (b) Not being a director authorized by the board of director to make any decision in the business operation of the company, its parent company, its subsidiary company, its affiliate company, its subsidiary company at the same level<sup>1</sup>, major shareholder or controlling person of the company.
- (c) Not being a director of a parent company, its subsidiary company or its subsidiary company at the same level which is a listed company.
- (d) Having sufficient knowledge and experience to conduct the duty as an audit committee member.

## 7. Duties and Responsibilities of the Audit Committee

7.1 The Audit Committee has the duties as delegated by the company's board of directors as follows:

- 1. to review the company's financial reporting process to ensure that it is accurate and adequate;
- 2. to review the company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
- 3. to review the company's compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, and the laws relating to the company's business;

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<sup>1</sup> "Subsidiary company at the same level" means two or more subsidiaries of the company which has the same parent company, regardless of whether such subsidiaries companies are in any shareholding level.

4. to consider, select and nominate an independent person to be the company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. to review the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company;
6. to prepare, and to disclose in the company's annual report, an Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information:
  - (a) an opinion on the accuracy, completeness and credibility of the company's financial report;
  - (b) an opinion on the adequacy of the company's internal control system;
  - (c) an opinion on the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or the laws relating to the company's business;
  - (d) an opinion on the suitability of an auditor;
  - (e) an opinion on the transactions that may lead to conflicts of interests;
  - (f) the number of the Audit Committee meetings, and the attendance at such meetings by each committee member;
  - (g) an opinion or overview of comments received by the Audit Committee from its performance of duties in accordance with the charter; and
  - (h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors.
7. to perform any other act as assigned by the company's board of directors, with the approval of the Audit Committee.

7.2 The Audit Committee is responsible to the Board of Directors according to the duties assigned by the Board of Directors, while the responsibilities for all activities of the company towards third persons are still vested in the entire Board of Directors.

## **8. Meetings of the Audit Committee**

8.1 Agenda: An agenda of each meeting should be clearly determined in advance, and documents supporting the meeting should be delivered to the Audit Committee for a reasonable period in advance in order to provide time for consideration of the matters or the request of additional supporting information.

8.2 Frequency of Meetings

- (a) Meetings of the Audit Committee should be held at least four (4) times a year.

- (b) The Chairman of the Audit Committee may convene a special meeting of the Audit Committee if there is a request from a committee member, internal auditor, external auditor or Chairman of the Board of Directors, in order to consider the issues which must be jointly discussed.

### 8.3 Attendance

- (a) The members of the Audit Committee should endeavor to attend every meeting of the Audit Committee. The quorum for a meeting is more than half of the total members of the Audit Committee.
- (b) The Audit Committee may, as it considers appropriate, request directors, management or other members of the company, the internal auditor or the external auditor to attend its meeting to discuss any particular matter.
- (c) The Audit Committee may invite to its meeting, or otherwise meet with legal counsel and other advisors when it is considered necessary and appropriate to discuss matters which have or may have material impact on the company's activities or financial statement.

### 8.4 Voting

- (a) The minute of meetings must specify the names of members and persons attending, and any member of the Audit Committee who has any interest in a matter shall refrain from expressing an opinion or voting on such matter.
- (b) The Secretary to the Audit Committee has no voting right.

8.5 The Minutes of meetings must be submitted to the Audit Committee as well as to the Board of Directors.

9. **Reporting of the Audit Committee:** The Audit Committee shall report on its activities to the Board of Directors, to the Shareholders in the Annual Report and to the Authorities as required by law.