

# HaadThip Public Company Limited

## Audit Committee Charter

### 1. Objectives

The Audit Committee was established with the objective of supporting the Board of Directors in performing their oversight duties regarding the accuracy of financial reports, the efficiency of the internal control system, and compliance with various laws, regulations, and ethics to promote good corporate governance within the Company and its business group. Additionally, the Audit Committee is responsible for reviewing the adequacy and efficiency of the Company's and its business groups' risk management. This includes the preparation of the Audit Committee report, which is presented in the company's annual report each year.

### 2. Composition, Designation, and Qualifications

2.1 The Audit Committee consists of independent directors appointed by the Board of Directors or the company's shareholder meeting. The number of members shall not be less than three, comprising one chairman of the audit committee and at least two audit committee members who possess qualifications as stipulated by the laws on public limited companies, securities regulations, rules of the Stock Exchange of Thailand, regulations of the Securities and Exchange Commission, and company regulations.

2.2. The highest position holder of Accounting unit shall serve as the secretary of the audit committee.

### 3. Term of Office for Audit Committee Members

3.1. Audit committee members shall hold office for a term of three years. Their term will expire at the company's annual general meeting of shareholders. Additionally, the term may end due to resignation, removal from the Board of Directors, or termination of the member's directorship with the company.

3.2. Audit committee members whose term has expired are eligible for reappointment without automatic renewal.

3.3 Audit Committee members whose term expires will continue to serve in their positions until a replacement director is appointed, except in cases where the director's term of office in the Company has ended and they were not re-elected to serve as a director again.

3.4 In the event of a vacancy in the Audit Committee, the Board of Directors (through the Nomination and Remuneration Committee) will select qualified committees who do not possess prohibited characteristics from serving on the Audit Committee. The appointed replacement Audit Committee member will serve only for the remaining term of the Audit Committee member they are replacing.

#### **4. Voting Rights**

Each audit committee member is entitled to one vote. If any audit committee member has a vested interest in the matter under consideration, that member must abstain from participating in discussions or voting on that matter.

#### **5. Meeting**

5.1 The Audit Committee convenes regularly, holding a minimum of four meetings per year.

5.2 For a meeting of the Audit Committee to proceed, at least half of the total number of members must be present to establish a quorum.

5.3 During meetings, the Audit Committee has the authority to invite management personnel from the company and its subsidiaries, as well as internal auditors, external auditors, or relevant individuals involved in the agenda, to attend and provide necessary and appropriate information. Agendas and meeting documents must be prepared and distributed before the meeting, and the secretary of the committee shall review and record the minutes of the meeting.

#### **6. Scope of Authority**

6.1 The Audit Committee is empowered to engage independent consultants or experts, at the expense of the Company, to provide opinions or advice on matters pertaining to its duties and responsibilities as deemed necessary.

6.2 The Audit Committee may also extend invitations to directors or officials at all levels of the Company to attend meetings for the purpose of discussing or clarifying matters related to the Company, its subsidiaries, and affiliated businesses within the scope of the Audit Committee's duties and responsibilities.

6.3 The Audit Committee is authorized to review and examine various matters essential for the Company's business operations.

## **7. Duties and Responsibilities**

7.1 Reviewing to ensure the accuracy and adequate disclosure of the Company's financial reporting.

7.2 Reviewing to ensure the Company maintains an appropriate and efficient internal control and internal audit system, while also considering the independence of the internal audit department. This includes granting approval for the appointment, transfer, and termination of the head of the internal audit department.

7.3 Supporting and facilitating the work of the Risk Management Committee in evaluating the adequacy and effectiveness of the Company's and its business group's risk management practices.

7.4 Assisting the company in adhering to securities and stock exchange laws, stock exchange regulations, and other relevant laws pertinent to the Company's business operations.

7.5 Considering the selection, appointment, or dismissal of external auditors, including proposing their compensation to the Board of Directors and conducting annual performance evaluations of the external auditors.

7.6 Reviewing operational procedures and supervisory matters, particularly those related to transactions that may present conflicts of interest, ensuring compliance with relevant laws and regulations.

7.7 Compiling the Audit Committee's report, which is to be included in the Company's annual report and signed by the Chairman of the Audit Committee.

7.8 Reviewing and monitoring the practices in accordance with the policies related to ethics such as Code of Conduct policy and Anti-Corruption policy and obtain regular updates from management.

7.9 Undertaking any additional duties as assigned by the Company's Board of Directors, subject to the approval of the Audit Committee.

## **8. Charter Review**

The Audit Committee will conduct regular reviews and updates of the Charter on an annual basis to ensure its ongoing appropriateness. This process aims to maintain alignment between the Charter's contents and the objectives and relevant regulations. Any substantial amendments to the Charter require approval from the Board of Directors.