

Audit Committee Charter

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1. Objective

The Board of Governors of the Stock Exchange of Thailand (“**SET Board of Governors**”) has established the Audit Committee with the duties to regulate and audit the operation of the SET Group and the SET Foundation to promote the system of good corporate governance and with the main duty of supporting the operation of the SET Group in the following matters:

- Financial report;
- External audit;
- Internal audit;
- Internal control and risk management;
- Compliance; and
- Whistleblowing and fraud.

2. Definition

- “Charter” means the Audit Committee Charter;
- “SET” means the Stock Exchange of Thailand;
- “Subsidiary” means a company or juristic person in which the SET holds more than 50 percent of the shares whether directly or indirectly;
- “SET Group” means the SET and Subsidiaries;
- “Committee” means the Audit Committee; and
- “Management” means executives holding the position of at least department head or equivalent.

3. Composition and Office Term

- 3.1 The Committee and the Chairperson of the Committee are appointed by the SET Board of Governors.
- 3.2 The Committee shall comprise of at least 3 governors but not more than 5 governors of the SET and not less than half of their number must be governors appointed by the Securities and Exchange Commission, all of whom shall be non-executive directors and at least one of whom shall possess the knowledge, understanding, or experience in accounting, finance, or audit.
- 3.3 The holding of position of the Chairperson of the Committee and a member of the Committee in other committees shall be in accordance with the following criteria:
 - Chairperson may not hold a position of a member of the Risk Management Committee, Information Technology Committee and the Disciplinary Subcommittee
 - Member may hold a position of a member of other committees but may not hold a position of the chairperson of the Risk Management Committee, the chairperson of the Information Technology Committee and the chairperson of the Disciplinary Subcommittee
- 3.4 The office term of a member of the Committee is in accordance with the office term of the governor of the SET.
- 3.5 When a member of the Committee has held his or her position until the end of the office term or there exists any reason which prevents him or her from holding position until the end of the office term, the SET Board of Governors should deem it appropriate to appoint a new replacement member of the Committee to fill in the vacancy immediately or at the latest within 3 months from the date of a vacancy for the purpose of continuity in the performance of work by the Committee.
- 3.6 The Committee shall have the power to appoint the secretary of the Committee.
- 3.7 On each occasion of the appointment of a new member of the Committee, the secretary of the Committee shall make available documents and information beneficial to the performance of the duty by the new member including providing recommendations and guideline for the performance of work in relation to the role and duty of the Committee (Orientation) to the new member.

4. Meeting

- 4.1 The Committee shall convene a meeting at least once per quarter or at least 4 times per year. The Chairperson of the Committee may convene additional meetings for a special purpose as deemed appropriate or upon request by the Committee, head of the internal audit function, external auditor, or the chairperson of the SET Board of Governors to consider issues which require joint discussion.
- 4.2 The meetings of the Committee shall be scheduled at the dates and times for one year in advance so that members may allocate time to attend the meetings on each occasion.
- 4.3 The quorum of a meeting shall be at least half the number of all the members of the Committee.
- 4.4 In an event the Chairperson of the Committee is not present at a meeting, the members who attend such meeting shall select any one of the members to act as the Chairperson for the meeting.
- 4.5 The Committee may invite any governor, executive, external auditor, related person or person deemed suitable to attend a meeting from time to time or to provide clarification on any relevant matter.
- 4.6 The Committee may invite any third party with the knowledge and expertise as an advisor to attend a meeting at the expenses of the SET.
- 4.7 The Committee shall arrange a meeting with external auditors without the attendance of the Management at least once a year.
- 4.8 The Committee shall convene a meeting with the Risk Management Committee on a regular basis every year.
- 4.9 The secretary of the Committee shall have the duty to schedule the meetings, prepare the meeting agenda, submit the documents for the meetings and record the minutes of the meetings. In this regard, the meeting invitation and documents for the meeting shall be delivered 5 days prior to the date of the meeting unless in case of necessity and urgency where the secretary of the Committee may notify about the meeting via other means and deliver the documents for the meeting less than 5 days prior to the date of the meeting.
- 4.10 A resolution shall be passed by a majority of votes. In case of a tie, the Chairperson of the Committee shall have the casting vote.
- 4.11 Any member of the Committee who possesses interest in the matter being considered shall notify about such interest and shall not consider such matter.

5. Scope and Access to Information

- 5.1 The performance of work by the Committee covers the entire SET Group and the SET Foundation and the Committee may provide recommendations to the SET Group and the SET Foundation.
- 5.2 In performing their duty, the Committee can freely request for information directly from external auditors, executives and employees, who must provide cooperation as requested by the Committee.

6. Duty and Responsibility

The Committee is responsible for the duty and responsibility towards the SET Board of Governors as entrusted by the SET Board of Governors in various matters as follows:

6.1 Financial Report

- *Undertake the review of the financial report of the SET Group;*
- *Consider and review accounting policies; and*
- *Review key or irregular transactions that could impact the financial statements.*

Work to perform

- (1) Undertake the review with the Management and internal audit function of matters regarding the quarterly financial report of the SET Group before proposal to the SET Board of Governors.
- (2) Undertake the review with the Management and external auditors of matters regarding the annual financial report before proposal to the SET Board of Governors.
- (3) Undertake the review of expenses for important and high budget projects.
- (4) Undertake the review of the appropriateness of important accounting policies taking into account benefit to the users of financial statements, the rationale of the Management and compliance with the Thai Financial Reporting Standards.
- (5) Undertake the review of any change in accounting policies or accounting principles by means of comparison with the previous year, and consider the rationale for the change and external auditor's opinion on such change. If deemed appropriate, the matter shall be proposed to the SET Board of Governors for consideration and approval.

- (6) Inquire about different opinions between those of the Management and external auditors regarding the disclosure of financial statements and consider the recommendations of external auditors and the opinion the Management seeks from any external organizations so as to obtain conclusion for such issues.
- (7) Undertake the review of key or irregular transactions which impact the financial statements taking into account the reasonableness of the transaction, the impact and integrity of the disclosure of information.
- (8) Undertake the review of matters with the Management and external auditors regarding the Management's Discussion and Analysis (MD&A) and disclose them in the annual report.

6.2 External Audit

- *Provide advice on the appointment, termination of employment, determination of remuneration and assessment of the performance of work of the external auditors of the SET Group; and*
- *Undertake the review of the audit scope and auditing plans of the external auditors of the SET Group.*

Work to perform

- (1) Consider the qualifications, independence and result of the performance of work in order to provide recommendations for the appointment, termination of employment, and determination of remuneration of the external auditors to the SET Board of Governors.
- (2) Ensure that there shall be arrangement for other external auditors to submit proposals for consideration and comparison at least every 5 years, that external auditors shall be changed every 7 years and that a period of 5 years shall have lapsed before the same external auditors may again perform the work for the SET.
- (3) Undertake the review of the audit scope and auditing plan of the external auditors to ensure the coverage of all key operation and key risks and consider the cooperation with the internal audit function.
- (4) Attend meetings with the external auditors to discuss issues discovered by the external auditors or observation on the audit / review of financial statements.
- (5) Assess the performance of work and independence of the external auditors by considering the result of the audit and review of financial statements, seek the Management's opinion and undertake discussion with the external auditors in the absence of the Management.
- (6) Determine the non-audit services policy and review the non-audit services provided by the external auditors to ensure compliance with such policy at least

once a year in order to ensure that the performance of work by the external auditors are independent and free from any conflict of interest.

6.3 Internal Audit

- *Consider and review the performance of work by the internal audit function;*
- *Consider the internal audit plan;*
- *Consider the budget and resources of the internal audit function; and*
- *Consider and approve the appointment, transfer, termination of employment, payment of remuneration, and assessment of performance of work of the head of internal audit function.*

Work to perform

- (1) Review the performance of work by the internal audit function to ensure compliance with international standards for the professional practice of internal audit and consider the effectiveness of the internal audit function, assess the audit work pursuant to the approved plan and follow up on the progress of actions taken in accordance with the audit report.
- (2) Approve internal audit plan and budget, and consider the adequacy of the internal audit function's resources to support the work and objective of the Committee.
- (3) Approve the appointment, transfer, termination of employment and consider the performance of work and payment of remuneration of the head of the internal audit function whereby the opinion from the President may be sought.
- (4) Provide the head of the internal audit function with the opportunity to consult or contact the Committee immediately upon discovery of important problems or issues whereby the consultation may be on a formal or an informal basis.
- (5) Ensure independence and confidence that there is no limitation in the performance of work by the internal audit function by having the internal audit function report directly to the Committee so that the performance of work by the internal audit function can be independent. In this regard, the administration work of the internal audit function shall report directly to the President.
- (6) Approve the internal audit charter.
- (7) Arrange to have in place the internal audit quality assurance review pursuant to the international standards for the professional practice of internal audit.

6.4 Internal Control and Risk Management

- *Consider and assess the adequacy and appropriateness of the internal control system and risk management of the SET Group.*

Work to perform

- (1) Undertake the review of the result of the audit and recommendations of external auditors and internal audit function in relation to the internal control system and risk management and follow up on actions taken by the Management pursuant to the recommendations.
- (2) Undertake the review of the result of the assessment of the adequacy of the SET Group's internal control system pursuant to the standards of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) before proposing the opinion to the SET Board of Governors.
- (3) Undertake the review to ensure the management of key risks of the SET group by:
 - Discussing with the management responsible for various tasks to be well-informed of important information and to link the risks based on the organization as a whole.
 - Acknowledging the reports on the risk management operations of the organization on a quarterly basis.
- (4) Undertake the review to ensure the SET group's internal control system is revised and improved continuously and regularly to stay current with changes, in case of the business growth or changes of business operation such as mergers and acquisitions of foreign companies or setting up a subsidiary in a new business area.

6.5 Compliance

- *Ensure compliance with the laws and regulations set by supervisory authorities of the SET Group and with the standards and internal regulations stipulated by the SET Group; and*
- *Consider transactions on assets acquisition and disposition of significant value (Material Transaction or "MT"), and related party transactions ("RPT"), or transactions which may cause conflict of interest.*

Work to perform

- (1) Undertake the review of the result of audit and recommendations of external auditors and internal audit function in relation to compliance with the relevant laws / regulations.
- (2) Undertake the review of the reports on compliance with the laws, rules and regulations related to the business of the SET Group.
- (3) Undertake the review of the reports of compliance operation works on a quarterly basis.
- (4) Undertake the review and follow up the transaction *on assets acquisition and disposition of significant value (Material Transaction or “MT”), and related party transactions (“RPT”) or transactions which may cause conflict of interest to ensure the transparency and reasonability of such transactions and best interest to the SET Group.*

6.6 Whistleblowing and Fraud

- *Undertake the review of and take actions concerning whistleblowing cases and investigate any controversial or suspicious actions considered against the laws or ethics, infringement of rights, incorrect financial reporting, defective in the internal control system and fraud; and*
- *Undertake the review of the process for safeguarding and detecting fraud.*

Work to perform

- (1) Consider complaints and whistleblowing cases by:
 - Undertaking the review of complaint and whistleblowing management process.
 - Consider taking actions in response to the complaints on ethical issues and whistleblowing cases
 - Acknowledging the summary of all complaints on a quarterly basis.
- (2) Investigate any controversial or suspicious actions considered against the laws or ethics, infringement of rights, incorrect financial reporting, defective in the internal control system and fraud by any persons including personnel and governors.
- (3) Perform the duty and responsibility as stipulated in the anti-corruption policy.

6.7 Other Duty

- (1) Undertake the review of the 6-months financial report and annual financial report of the SET Foundation prior to presenting such to the Board of SET Foundation.
- (2) Provide advice pertaining to the appointment, termination of employment, determination of remuneration, assessment of performance of work and undertake the review of the audit scope and auditing plan of the external auditors of the SET Foundation.
- (3) Perform any other tasks as assigned by the SET Board of Governors.

7. Self-Assessment

The Committee shall perform self-assessment and report the result to the SET Board of Governors for acknowledgement once a year.

8. Revision to the Charter

The Committee shall review and assess the adequacy and appropriateness of the Charter regularly on a yearly basis and propose it to the SET Board of Governors for consideration and approval.

9. Reporting

- 9.1 The performance of work by the Committee shall be reported to the meetings of the SET Board of Governors on a regular basis every quarter and the summary of the minutes of the meetings shall be submitted to the SET Board of Governors. In this regard, any important matters shall be proposed on a monthly basis.
- 9.2 The report on the performance of work by the Committee signed by the Chairperson of the Committee shall be prepared and disclosed in the annual report pursuant to the principles of good corporate governance.

SET Board of Governors
Approved on 22 January 2024