

Thaicom Plc

Audit and Risk Committee Charter

1. INTRODUCTION

- 1.1 The Audit and Risk Committee ("the Committee"), is a sub-committee of the Board of Directors ("the Board"). The Committee is appointed by the Board of Taicom Plc ("the Company")
- 1.2 The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to: (1) the integrity of the Company's financial reporting; (2) the effectiveness of the Company's risk management and internal control systems; (3) the Company's compliance with legal and regulatory requirements; (4) the performance of the internal audit function; and (5) the qualifications, performance, and independence of the external auditor.

2. COMPOSITION

- 2.1 The Committee shall comprise at least three (3) members; all of them are independent directors with the qualifications stipulated by the Capital Market Supervisory Board and the Company's Corporate Governance Policy. At least one member of the Committee shall have sufficient knowledge and experience to review the reliability of financial statements.
- 2.2 The Chairman of the Committee shall be appointed by the Board.
- 2.3 The Head of the Internal Audit unit shall be the Secretary to the Committee unless the Committee designates otherwise.

3. TERM OF APPOINTMENT

- 3.1 Members of the Committee may hold their posts for as long as they are serving on the Board. Members who vacate office at the end of their term may be re-elected. Membership will be canceled in the following situations:
 - 1) Death
 - 2) Resignation
 - 3) Disqualification under this charter or the criteria prescribed by the Capital Market Supervisory Board and the Company's corporate governance policy
 - 4) Removal from office by resolution of the Board
- 3.2 A member of the Committee who wishes to resign before the end of the term should notify the Company in advance, at least one month, together with reason in order that the Board to consider the new appointment of persons who are qualified substitute of retired persons.

- 3.3 If all of the members resign at the same time they must remain in office until a new Committee is appointed.
- 3.4 If a member vacates office during the term of appointment, the Board shall appoint a replacement within 90 days in order to maintain the required number of member as set forth. The new member shall hold the office only for the remaining term of the member he or she replaced.

4. DUTIES AND RESPONSIBILITIES

The Committee has been given the following duties and responsibilities:

4.1 Financial Report

- 4.1.1 Review the accuracy of the Company's financial reports in accordance with financial reporting standards and ensure there is adequate disclosure within a reasonable period of time.
- 4.1.2 Continuously communicate with the management to be informed on significant events or changes that may have an impact on the Company's financial position and performance, as well as to cooperatively identify the appropriate actions within a timely manner.
- 4.1.3 Review and provide observations on the accuracy and transparency of the Company's financial statements. If any irregularity is observed, the cause and the scope of the audit must be inquired from related personnel.
- 4.1.4 Review consistency between information provided in financial reports and information communicated through various media to investors and other related parties.

4.2 Risk Management and Internal Control

- 4.2.1 Review the risk management system to ensure it is appropriate and effective and include assessment results of risk management and internal controls system of the Company, domestic and overseas subsidiaries, and related companies into overall Company's risk consideration.
- Review the Company's risk management framework, including the policies and procedures for identifying, prioritizing, treating, monitoring, and reporting on key business risks.
 - Review the Company's risk appetite statement every year in order to ensure that it is always aligned with the Company's business objectives.
 - Review reports prepared by the management on key business risks and their treatment in order to ensure that these are managed within the defined risk appetite.

- 4.2.2 Review the adequacy and effectiveness of the Company, and domestic and overseas subsidiaries' internal control systems including the internal controls over financial reporting to that the financial reporting is accurate and reliable.
- 4.2.3 Review the efficiency and effectiveness of the internal control of the information technology system relating to operations, financial reports, and compliance with the laws and regulations, and ensure that the system for information security, which covers confidentiality, integrity, and availability, are in place, including the management of information that may impact market-sensitive information.
- 4.2.4 Monitor the Company's utilization of fundraising money to ensure that it is in line with the disclosed objectives to avoid any negative impact on investors by:
- Review relevant details of the fundraising money utilization such as the feasibility of the project, the appropriateness of the fundraising amount and channels, sufficiency of the fundraising money, etc.
 - Ensure that the reviewing and monitoring mechanism is in place to verify that the fund was used appropriately and in accordance with the disclosed objectives.
 - Ensure that utilization details of the fund are reported and disclosed to shareholders on a regular basis according to the reporting period specified by the regulations.
- 4.3 **Legal and Regulatory Compliance**
- 4.3.1 Review the Company's compliance with the laws on securities and exchange, the regulations of the Stock Exchange of Thailand (the "SET"), the Securities and Exchange Commission (the "SEC"), and the laws and regulations related to the Company's business.
- 4.3.2 Review the Company's Anti-Corruption Policy and its measures to ensure compliance with legal obligations.
- 4.3.3 Review the effectiveness of the system to monitor compliance with the Company's Code of Conduct.
- 4.3.4 Review that the Company has established the Whistle Blower process to serve as a channel for staff and stakeholders to raise complaints regarding misconduct, fraud, irregularities of financial reporting, and deficiency in an internal control system, review the summary report of investigation of misconduct or fraud, and its preventive measures.

4.3.5 Monitor the acquisition or disposal of material transactions (MT) and related party transactions (RPT) in order to maximize the benefit of the Company and its shareholders:

- Consider and provide opinions on significant MT and RPT that required approval from the Board or shareholder meeting, by considering the transaction characteristics and reasonableness, related law and regulation, etc.
- Establish the process for management to continuously report the status of the transaction that was approved by the management, as well as to provide analysis on the transaction's reasonability.
- Monitor and inquire management on the transaction's progress after it was approved, and ensure that the details are continuously disclosed to shareholders.
- If any irregularity is found the Committee must take necessary deterrent action and notify the SEC immediately.

4.3.6 In case that the Committee received any circumstances reported by the external auditor where a director, executive, or other person responsible for the Company's operations, is suspected of committing an offense under the Securities and Exchange Act (No.4), B.E. 2551, the Committee must:

- Provide preliminary information of the circumstances to SEC immediately.
- Ensure an independent investigation and report the results to the Board, the SEC, and the external auditor within thirty (30) days from the date reported by the external auditor.
- Review and ensure that the company discloses the circumstances to shareholders as soon as possible, if it is found that the circumstances have a material impact on shareholders' rights, or there are matters that they should be informed.
- Determine deterrent measures to mitigate the possible Impacts, in conjunction with enhancing the Company's internal control to prevent the circumstances from reoccurring.
- Regularly report the progress of the investigation, as well as the implementation results of the deterrent measures and the enhanced internal control to the SEC and the external auditor until the process is completed.

4.3.7 If, during the performance of its duties, the Committee finds or suspects any of the following situations which may have a material impact on the Company's financial condition or operation results, it must report these to the Board for rectification within a period of time the Committee deems appropriate:

- A transaction which causes a conflict of interest;
- Any act of fraud, irregularity, or material defect in an internal control system;
- An infringement of the law on securities and exchange, the regulations of the SET, or any law relating to the Company's business.

If the Board or management fails to rectify the situation within the period of time stipulated by the Committee, any member of the Committee may report this situation to the SEC or the SET.

4.4 External Auditor

- 4.4.1 Consider, and make recommendations on, the appointment, reappointment, or removal of the Company's external auditor, along with the audit fees.
- 4.4.2 Review the external auditor's independence, along with the policy for the provision of non-audit services by the external auditor.
- 4.4.3 Review the external auditor's plans for auditing the Company's financial reports.
- 4.4.4 Meet separately with the external auditor without the management at least once a year to discuss any matters that he or she and the Committee believe should be considered in private.

4.5 Internal Audit

- 4.5.1 Review the Internal Audit unit's independence and approve the appointment, rotation, or removal of its head, along with his or her performance appraisal and remuneration.
- 4.5.2 Review and approve the internal audit plan and the adequacy of the budget and resources of the Internal Audit unit.
- 4.5.3 Review the performance of the Internal Audit unit, and cooperate with the external auditor.
- 4.5.4 Review audit reports prepared by the Internal Audit unit, along with the management's response and follow-up reports.
- 4.5.5 Meet separately with the head of Internal Audit unit at least once a year to discuss any matters that he or she and the Committee believe should be considered in private.

4.6 Reporting

4.6.1 Report the Committee's performance to the Board at least four (4) times a year.

4.6.2 Prepare its annual report to be signed by the Chairman of the Committee and disclosed in the Company's annual reports (as required by SET).

4.7 Other Responsibilities

4.7.1 Review the Company's compliance with its Corporate Governance Policy.

4.7.2 Annually review the Committee's performance both individually and as an entire group.

4.7.3 Annually reassess the Committee's scope of work, authority and responsibility in this charter, and propose any recommended changes to the Board for approval.

4.7.4 All members of the Committee are responsible for continual training and enhance their knowledge of matters related to their duties.

4.7.5 Perform other tasks requested by the Board, which the Committee agrees to.

5. MEETINGS

The Committee shall meet at least eight (8) times a year. In calling a meeting, the Chairman or Secretary of the Committee (as instructed by the Chairman) shall send an invitation letter to all members at least seven (7) days in advance. However, if the matter is urgent, the Chairman can call a meeting without prior written notice.

6. QUORUM

6.1 One-half of the Committee shall constitute a quorum for the transaction of business. If the Chairman is absent or cannot perform his or her duties, the members who are present shall elect one of their members to chair the meeting.

6.2 All decisions shall be made by majority vote. Each member shall have one vote. A member who has a conflict of interest is not entitled to vote on the matter under consideration. If the votes are evenly divided, the Chairman of the meeting shall have the casting vote.

7. AUTHORITY

7.1 The Audit Committee has the authority to summon members of the management or staff to provide opinions, attend meetings, or furnish the Committee with any documents deemed relevant and necessary.

7.2 The Committee has authority to hire advisors or external personnel in line with the Company's regulations to make comments or give advice as necessary.

7.3 The Audit Committee performs duties within the scope of authority and responsibility as instructed by the Board of Directors. The Board of Directors is responsible for the Company's operations directly to the shareholders, stakeholders, and general public.

7.4 The Committee also has the authority defined in the Company's other policies (as shown in the appendix).

8. REMUNERATION

The remuneration for each member of the Committee shall be determined by the Board.

9. RESPONSIBLE OFFICES

All members of management and department heads must report to and assist the Committee as requested.

This Charter became effective on February 8, 2024



(Somprasong Boonyachai)

Chairman of the Board of Directors

Thaicom Plc.

Audit and Risk Committee's Authority as Defined in Other Policies

The Committee has been delegated the authority defined in the policies below.

1. Approval Authority Policy

- 1.1 Concur any changes in accounting policy or early adoption of new accounting standards for Thaicom Group before submitting them to the Board for approval.
- 1.2 Concur any changes in Anti-Corruption Policy and Related Party Transaction Policy before submitting them to the Board for approval.
- 1.3 Concur a notification of disciplinary action issued by the Human Resource department if an employee found to have committed misconduct or fraud is an executive (job level UC and above).
- 1.4 Concur to take legal action against an executive (job level UC and above) found to have committed misconduct or fraud.

2. Misconduct & Fraud Investigation Policy

- 2.1 Appoint an investigation committee if an employee accused of misconduct or fraud is the Chief Executive Officer, an executive (UC level), or the head of the Internal Audit unit. The Board must be notified of any appointment.
- 2.2 Appoint an investigation committee if an employee accused of misconduct or fraud is the Chief Executive Officer, or an executive (UC level) of a company in Thaicom Group. The Board must be notified of any appointment.
- 2.3 Approve disciplinary action to be taken against an employee found to have committed misconduct or fraud who is the head of the Internal Audit unit, as recommended by the disciplinary committee.

3. Securities Trading Policy

- 3.1 Approve the sales of Thaicom Group's securities of the Chairman of the Board during the blackout period if they have a severe financial hardship or they have to meet legal or regulatory requirements, especially under a court order.