



## Trinity Wattana Public Company Limited

### Audit Committee Charter

(Approved by the Audit Committee on February 23, 2023.)

In order for the company to have a system of good corporate governance and to create transparency with honesty and with the responsibility of the Board of Directors and executives of the company to the shareholders, investors and related parties, the Board of Directors has appointed the Audit Committee (AC) with flexibility in managing and giving a vision with honest opinions on financial reports and internal control system, as well as providing opportunities for management and auditors to discuss, manage potential risks, and ensure that financial reports are fully disclosed and in accordance with relevant standards and requirements. However, the Board of Directors is still responsible for the operation of the company to third parties.

#### 1. Definition

Company	refers to Trinity Wattana Public Company Limited, which is a listed company.
Same-level Subsidiary	refers to two or more subsidiaries in which Trinity Wattana Public Company Limited is a major shareholder, holding shares of more than 50 percent
Board of directors	refers to Board of Directors Trinity Wattana Public Company Limited
Executive directors	refers to directors who hold an executive position and are responsible as executives and authorized directors, unless it can be shown that it is a binding signature according to the item that the Board of Directors has already approved and is a joint signing with other directors.
Independent directors	refers to the directors of Trinity Wattana Public Company Limited with the following qualifications: <ol style="list-style-type: none"><li>1) Being a person who holds shares not exceeding 1 percent of the total number of shares with voting rights of the company, parent company, subsidiary company, associated company, major shareholder, controlling person of the company or juristic persons that may have conflicts. This includes the shares held by related persons of independent director as well.</li><li>2) Not being or having been an executive director, employee, staff, advisor who receives regular salary or a controlling person of the company, parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder, controlling person of the company or juristic persons that may have conflicts, unless he or she has retired from the aforementioned</li></ol>



- position for not less than 2 years before being appointed.
- 3) Not having relationship by blood, marriage or legal registration with persons who may have conflicts as father, mother, spouse, sibling and child, including spouse of children of executive, major shareholders, a controlling person of the company or a person who will be nominated as an executive or controlling person of the company or subsidiaries
  - 4) Not having a significant business relationship (according to the regulations on connected transactions of the Stock Exchange of Thailand) with the company, parent company, subsidiary company, associated company, major shareholder, controlling person of the company or juristic persons that may have conflicts in a manner that may obstruct discretion independently, including not being or used to be a major shareholder, executive director, or controlling person of the company of those who have business relationship with the company, parent company, subsidiary company, associated company, major shareholder, controlling person of the company or juristic persons that may have conflicts, unless he or she has retired from the aforementioned position for not less than 2 years before being appointed.
  - 5) Not being or having been an auditor of the company, parent company, subsidiary company, associated company, major shareholder, controlling person of the company or juristic persons that may have conflicts, not being major shareholder, executive directors, executives or managing partners of the audit firm which are auditors of the company, parent company, subsidiary company, associated company, major shareholders, controlling person of the company or juristic persons that may have conflicts of interest, unless he or she has retired from the aforementioned position for not less than 2 years before being appointed.
  - 6) Not being or having been a professional service provider, including legal advisor or financial advisor. which receives service fees of more than two million baht per year from the company, parent company, subsidiary company, associated company, major shareholder, controlling person of the company or juristic persons that may have conflicts. In the case that the professional service



provider is a juristic person, it includes being a major shareholder, executive directors, executives or managing partners, unless he or she has retired from the aforementioned position for not less than 2 years before being appointed.

- 7) Not being a director who has been appointed as a representative of the company's directors. major shareholder or shareholders who are related to the major shareholders of the company.
- 8) Not having any other characteristics that are not allowed to express independent opinions on the company's operations.
- 9) Not operating a business of the same nature and having significant competition with the company or subsidiaries. Not being a significant partner in a partnership or being a director who is involved in management, employees, staff, consultants who receive regular salary or holds more than one percent of the total number of shares with voting rights of another company, which operates a business with the same condition and has a significant competition with the business of the company or subsidiaries.

Executives	refers to employees at the level of Deputy Managing Director or higher or a person holding an equivalent position with authorized power in the company
Related person	refers to persons under section 258 (1) to (9) of the Securities and Exchange Act B.E. 2535 as amended by the Securities and Exchange Act (No. 4) B.E. 2551
Juristic person that may have conflicts	refers to any juristic person whose executives, major shareholders, controlling person of the company, holding shares or having controlling power or having any other interests whether directly or indirectly significantly
Connected transactions	refers a connected transaction according to the regulations of the Stock Exchange of Thailand or transactions between the company or subsidiaries and directors, executives or persons related to directors and executives
Transactions that cause conflicts of interest	refers to a connected transaction that is a normal commercial transaction for business operations significantly as follows: <ol style="list-style-type: none"><li>1) Being a professional management with compensation of 2 million baht per year or more</li><li>2) Leaser or lessee of real estate, transactions relating to assets or services or the provision or receipt of financial assistance by accepting or lending, guaranteeing, providing assets as collateral for liabilities including other similar behaviors. As a result, the applicant</li></ol>



or the counterparty of the contract has an obligation to pay to another party from three percent of the net tangible assets of the company or from twenty million baht or more, whichever is lower. The calculation of such indebtedness shall be in accordance with the method of calculating the value of connected transactions as announced by the Board of the Stock Exchange of Thailand, including debt obligations incurred during the previous year made to the same person.

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

- 1) The Board of Directors appoints the Audit Committee, which must consist of at least 3 persons and all of them must be independent directors.
- 2) Not being a director assigned by the Board of Directors to make decisions on the business of the company, parent company, subsidiary, same-level subsidiary, major shareholder, controlling person of the company, or juristic person who may have conflicts
- 3) Not being a director of the parent company, subsidiaries and same-level subsidiaries companies. (in the case of a parent company and its subsidiaries are both listed companies)
- 4) At least one member of the Audit Committee has sufficient knowledge and experience to review the credibility of financial statements. The name of the audit committee member must be specified in the filing form 56-1 and 56-2 form, and such qualifications must be specified in the certificate of profile of the audit committee member that must be submitted to the SET as well.
- 5) The Board of Directors approves the selection of persons to be the Chairman of the Audit Committee.
- 6) For Directors who have been appointed as members of the Audit Committee, the roles and duties of the Audit Committee must be in addition to the roles and duties of the Board of Directors.
- 7) Assign the executive of the Internal Audit and Supervision Department to be the secretary of the Audit Committee.

## **3. Terms**

- 1) Audit Committee has a term in office for 3 years. Audit Committee may be reappointed for another term as the Board of Directors deems appropriate, but not automatically renewed. The membership of the audit committee is terminated upon termination of the position as a director of the company.



- 2) In addition to terminating of the position according to the above term, the Audit Committee will be terminated when:
  - 2.1) Deceased
  - 2.2) Resigned
  - 2.3) The Board of Directors has a resolution to terminate from the position
  - 2.4) Lack of qualifications for being an audit committee member according to these regulations or as announced by the Capital Market Supervisory Board
- 3) If any member of the Audit Committee wishes to resign before the end of the term, the audit committee should notify the company 30 days in advance with reasons and the board of directors must appoint a new audit committee to complete the above composition with at least 90 days from the date that audit committee resigned. The person who replaces the audit committee can hold office only for the remaining term, and the company shall immediately notify the SET of reasons for leaving such position.

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

- 1) The Audit Committee must meet at least 4 times a year or as the Audit Committee deems appropriate. The audit committee may invite the management or related persons to attend the meeting and provide relevant information.
- 2) At the meeting of the Audit Committee, there must be no less than half of the members of the Audit Committee attending the meeting.
- 3) The secretary of the Audit Committee must collect meeting agendas and present them together with delivering the meeting agenda and meeting documents to the Audit Committee and relevant persons at least 3 days before the meeting, except in urgent cases.
- 4) The secretary of the Audit Committee is responsible for preparing minutes of meetings and submitting them to the Audit Committee and summarizing important issues to report to the Board of Directors.
- 5) The secretary of the audit committee has no right to vote on any decision of the audit committee.

#### **5. Duties and Responsibilities of the Audit Committee**

For the Audit Committee to perform duties assigned by the Board of Directors, The Audit Committee has the following duties and responsibilities:

##### **5.1 Review the company's financial reporting to be accurate and sufficiently disclosed**

- 5.1.1 Review with the management and/or the auditor once the semi-annual audit has been completed to consider the following issues.



- 3) Annual financial statements and notes to financial statements
- 4) Additional observations and suggestions regarding the auditor's audit plan
- 5) Significant difficulties or conflicts with management during the auditor's work.
- 6) Significant changes in accounting principles or inspection standards that has a significant impact on the financial statements

5.1.2 Review of financial statements during the year before proposing to the Board of Directors for approval.

## **5.2 Review to have an appropriate and effective internal control and internal audit system**

5.2.1 Review and consider together with the auditor and executives of the Internal Audit and Supervision Department in matters:

- 1) Adequacy of the internal control system. This includes computerized internal control systems.
- 2) Major flaws that the auditor, internal auditors and management have a common opinion.

5.2.2 Review and consider together with the management and executives of the internal audit and operations department on the following topics:

- 1) Major deficiencies detected during the year and response from management
- 2) Difficulty arising during the audit, which may include the scope of work or access to information required for the audit.
- 3) Responsible for such expenses

5.2.3 Inquire about important risk issues as well as ways to mitigate risks from executives, Internal Audit and Operations Executive, and auditor.

5.2.4 Review and consider together with the auditor to request opinions on matters such as the quality of accounting and finance staffs and internal audit officers at least once a year without management.

5.2.5 Review and consider with the management of the internal audit department to review the audit plan of the company, and scope of audit to ensure that the audit plan helps detect fraud or various deficiencies in the internal control system, including considering clues / complaints from employees or stakeholders in relation to financial statement transactions that are inappropriate and other issues

5.2.6 Approve the appointment, transfer, performance appraisal, remuneration, and dismissal of the executives of the Internal Audit and Operations Department



**5.3 Review for the Company to comply with the laws on securities and stock exchange, regulations of the stock exchange, and laws related to the company's business**

Review the evidence if there is any suspicion that the law may have been violated or any regulatory requirements which has or may have an impact on the financial position and operating results of listed companies significantly

**5.4 Consider selection, and propose appointment, remuneration and removal of the company's auditor**

Propose the list of auditors to the Board of Directors, together with remuneration for the annual audit and to be a reviewer and appraiser of performance independence, including the dismissal of the company's auditor.

**5.5 Consider connected transactions or transactions that may have conflicts of interest in accordance with the laws and regulations of the Stock Exchange of Thailand**

Review of transactions among the company, subsidiaries, and connected persons to comply with the laws and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and in the best interest of the company.

**5.6 Report on Corporate Governance of the Audit Committee**

5.6.1 Regular activity reports for the Board of Directors to know such as

- Minutes of meetings of the Audit Committee which specifies the opinions of the Audit Committee on various matters
- Summarizing the activity report during the year
- Reports relating to opinions on financial reports including key takeaways from the internal audit
- Any other reports that the Board of Directors should be aware of

5.6.2 Report to the Board of Directors to make improvements within the period that the Audit Committee deems appropriate. If it is found or suspected that the following transactions or actions may have a significant impact on the financial position and performance of the company

- Transactions that may have conflict of interest
- Corruption or irregularities or significant defects in the internal control system
- Violation of securities and exchange laws, SET requirements, and laws related to the company's business
- Any other reports that the Board of Directors should be aware of



5.6.3 Prepare a report on the oversight of the Audit Committee signed by the Chairman of the Audit Committee to be presented as part of the company's annual report, which should contain the following information.

- Opinions on the process of preparing and disclosing information in financial reports on their accuracy and reliability
- Opinions on the adequacy of the company's internal control system
- Opinions on compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand or laws related to the company's business that may or may affect the financial position and operating results of listed companies significantly
- suitability of the auditor
- Transactions that may have conflicts of interest
- Meeting attendance of each member of the Audit Committee
- Opinions and observations obtained from the performance of duties
- Any other reports that shareholders and general investors should be informed under the scope of duties and responsibilities assigned by the Board of Directors

5.6.4 If the Board of Directors or executives fail to make improvements within the specified period, any member of the Audit Committee may report to the Securities and Exchange Commission or Stock Exchange of Thailand

5.6.5 In the event that the auditor reports suspicious circumstances that a director, manager or person responsible for the operation of the company has committed an offense relating to fraudulent management, the Audit Committee must conduct an audit without delay and notify the preliminary audit report to the Securities and Exchange Commission and the auditor within 30 days from the date of being notified by the auditor.

## **5.7 Review the accuracy of the self-assessment of the company's anti-corruption measures according to the Thai Private Sector Collective Action Coalition Against Corruption**

### **5.8 Others**

- 5.8.1 Review and update the charter of the Audit Committee to be suitable for the environment of the organization annually
- 5.8.2 Other tasks as specified by the Board of Directors or specifically assigned and approved by the Audit Committee