



Global  
House

Audit & Risk Management

# **COMMITTEE CHARTER**

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED

## Audit & Risk Management Committee Charter

The Board of Directors has considered to determine Audit & Risk Management Committee Charter for the Audit & Risk Management Committee understanding about the objectives, duties and responsibilities of its committee. This Audit & Risk Management Committee Charter is in accordance with the regulations of Securities and Exchange Act and the Stock Exchange of Thailand.

### 1. Objectives

The Audit & Risk Management Committee is subcommittee appointed by the resolutions of the Board of Directors meeting in order to be important mechanism to support the company having good corporate governance and help to lighten the load in compliance of the Board.

- 1.1 For the accuracy of the company's financial reports together with adequate disclosure according to the accounting standard and the related regulations for building reliability for investors and stakeholders.
- 1.2 To control the company's operation having an efficiency in accordance with the business policies and correctly comply with the regulations and related laws.
- 1.3 To control the company having good internal audit process and internal control system.

### 2. Composition

- 2.1 The Board of Directors has considered to appoint the Audit & Risk Management Committee at least 3 directors, composite of the Chairman of the Audit & Risk Management Committee and the committee by all directors shall be qualified to be an Independent Director.
- 2.2 At least one director of the Audit & Risk Management Committee must have knowledge, understanding and experience in accounting or financial for reviewing the reliability of financial statements.

### 3. Qualifications of Audit & Risk Management Committee

- 3.1 Hold shares not exceeding 1% of the total number of shares with voting rights of the company, which shall be inclusive of the shares held by related persons of such independent director.
- 3.2 Neither being nor used to being a director who takes part in the management, employee, staff, advisor who receives a regular salary, or controlling person during the period of 2 preceding years. Relaxation of this requirement is in the case where the person is retired as a government official or as a consultant of a government agency which is a majority shareholder or has controlling interest for less than 2 years.
- 3.3 Not being a person related by blood or legal relations with a director or an executive.
- 3.4 Not having a business relationship with including not being the significant shareholder or the controlling person of a juristic person having a business relationship with the company in an amount starting from 20 million baht or more or from 3% of NTA, whichever is amount is lower during the period of 2 preceding years.
- 3.5 Not being an auditor of the company, its parent company, subsidiary, associate company, a major shareholder, a controlling person during the period of 2 preceding years.
- 3.6 Neither being nor used to being a provider of professional services or a significant shareholder, controlling person, partner of such provider with a service fee of more than 2 million baht per year during the period of 2 preceding years.

\* In case of a person who has qualifications inconsistent with 3.4 and 3.6, he or she shall be granted an exemption from such prohibition, provided that the issuer has obtained an opinion of the board of directors indicating that after a consideration in accordance with the principle in Section 89/7, the appointment of such person does not affect the performance of duties and the giving of independent opinions, and that the following information has also been disclosed in the notice calling the shareholders' meeting.

- 3.7 Not being a director who is appointed as the representative of directors, major shareholder or shareholder who is a connected person of a majority shareholder.
- 3.8 Not undertaking any business of the same nature and in competition with the company and the subsidiary, or holding more than 1% of the voting shares, or being a managing director who takes part in management, employee, staff, advisor who receives a regular salary, controlling person in such business.
- 3.9 Not having any other characteristics that cause the inability to express independent opinions.
- 3.10 An Independent Director can be an Independent Director of an affiliated company, but a member of the Audit Committee is prohibited from being a Director of a parent company, subsidiary or subsidiary at the same level (sister company) which are listed companies.
- 3.11 After being appointed as an Independent Director, that Independent Director may be assigned by the Board of directors to make a decision on the business operation, the parent company, subsidiary, associate company, sister company, major shareholder or controlling person in the form of collective decision. However, a member of the Audit Committee is prohibited from taking part in the decision-making on the business operation.
- 3.12 Being appointed by the Board of directors or the Shareholders' Meeting of the Company to be an Audit & Risk Management Director.
- 3.13 Having knowledge and experiences, and able to devote sufficient time to perform duties of the Audit & Risk Management Committee.

#### 4. Tenure and Retirement.

- 4.1 The Audit & Risk Management Directors have tenure of office followed in the tenure of the Board of Directors by retirement from the tenure shall be along with the agenda in the Annual General Shareholders' meeting. However, the retired director may be re-appointed to continually take a position.
- 4.2 The retirement upon lacking qualifications of Audit & Risk Management Director according to this charter or resignation or the shareholders' meeting passed a resolution to leave.

#### 5. Duties and responsibilities

The Audit & Risk Management Committee has duties and responsibilities to the Board of directors according to the scope of assignment as follow;

##### Compliance monitoring, internal control and risk management

1. Review accuracy and adequacy of the Company's financial reporting according to the accounting standard, related laws with sufficient disclosure.
2. Consider disclosing the company's information in case of the *Related-party transactions or transactions* that may have any conflict of interest, to be accord with laws and regulations of The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET). Anyway, to ensure that such transaction is reasonable and ultimate benefits to the company.

3. Review and provide advice for the appropriateness and effectiveness of the Company's internal control and internal audit systems according to the international standard by reviewing with the External Auditor (Accounting firm) and Internal Auditor.
4. Review the Company's compliance with the law on securities and exchange, Stock Exchange of Thailand (SET) regulations, or laws related to the Company's business.
5. Review and monitor the Company's compliance with the Company's anti-corruption policy.
6. Monitor the company's complaints handling procedure & management and whistle blowing regarding corruption from employees and external personnel.
7. Monitor the Company's risk management plan and manage risk to reduce the impact to the company's business including follow-up and compliance risk assessment as well as propose protective measures and risk reduction measures at the acceptable level to ensure that the company has sufficient and appropriate risk management.
8. Report major risk management outcomes to the board of director in case of any factors or important circumstances that may have significant impacts to the Company.

#### Others

1. Consider to select, nominate, appoint, and terminate the contract of the company's auditor including consider the appropriate compensations by considering from an independence, performance and experience of auditor for the Board of directors presenting to the Shareholder's Annual General Meeting, as well as attendance the meeting with an auditor without management team at least once a year.
2. Prepare a corporate governance report of the Audit & Risk Management Committee by disclosing in the Company's Annual Report, which the mentioned report must be signed by the Chairman of the Audit & Risk Management Committee and must contain of opinions in compliance with Stock Exchange of Thailand (SET) regulations.
3. Consider an independence of an Internal Audit, giving opinions for an appointment, transferring, or dismissal of the Internal Audit Manager or other departments who responsible for Internal Audit including give an advice to the Board of directors.
4. Consider and review the Audit Committee Charter as deemed necessary and appropriate.
5. Perform any others duties as assigned by the Board of directors.

#### **6. The Meeting**

- 6.1 The Audit & Risk Management Committee shall join the meeting at least 4 times a year depend on the situation and necessary. Including attending a meeting with the Auditor at least once a year without the participation of the Management team.
- 6.2 The Meeting's notification, determines the Committee's Secretary to prepare the meeting invitation letter to notify the date, time, place and the meeting agenda to the Audit & Risk Management Committee not less than 7 days in advance for the directors having sufficient time to consider any matters or require additional information.
- 6.3 The Audit & Risk Management Committee Meeting, at least half of the total number of Audit Committee members must be present to constitute a quorum. The Chairman of the Audit Committee shall preside over the meeting. In the event that the Chairman of the Audit Committee was not at the meeting or unable to perform duties, the Audit Committee members shall present to the meeting

to elect one of the Audit Committee members to act as the chairman of the meeting.

6.4 The resolution of the meeting shall be passed by a majority of votes.

6.5 The Meeting minutes, determines the Committee's Secretary to take the minutes of the meeting.

## 7. Reporting

7.1 Reporting to shareholders and investors

- The Audit & Risk Management Committee must prepare annually activities report following to the duty and responsibility as assigned by the Board of Directors. The mentioned report must be signed by the Chairman of the Audit & Risk Management Committee and has been disclosed in the Company's Annual Report.

7.2 Reporting to the Board of Directors

- Regularly report the activities such as the meeting minutes of the Audit & Risk Management Committee, opinions to the financial reports, internal audit or any other reports as deemed to be acknowledged by the Board of Directors.
- Immediately report defects for the Board of directors seeking the resolution in time, such as conflict of interest reports, or suspicion deemed bribery or important defect in the internal control system or suspicion deemed violation of laws or the regulations of the Stock Exchange of Thailand.

7.3 Reporting to the regulator

- In case that the Audit & Risk Management Committee has reported to the Board of Directors for the significant impacts to the financial position and operating result and has the resolution from the Board's conference. At the designated time, if it *is found* that the corrective action has *neglected* unreasonable, anyone of Audit & Risk Management Directors may report such defect to the Committee of Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand (SET).

## 8. Maintaining Quality

8.1 The Audit & Risk Management Committee must assess the performance by self-assessment and annually report to the Board of directors for the assessment result together with problems in operation causing it is fail to achieve the objective.

8.2 The Audit & Risk Management Committee shall regularly obtain trainings and knowledge enhancing regarding The Audit & Risk Management Committee's compliance.

## 9. Remunerations

Provide remunerations for The Audit & Risk Management director in the amount approved by the Shareholder's Annual General Meeting.

This Audit & Risk Management Committee Charter was approved by the Board of Directors in the meeting no. 3/2020 as at 30 July 2020. The previous Audit & Risk Management Committee Charter was canceled and use this Charter instead.



(Mr. Apisit Rujikeatkamjorn)

The Chairman

A photograph of a modern building facade with a large, stylized "Global House" logo on the upper part. The building has a blue and orange color scheme. A large, thick orange circle is overlaid on the center of the image, framing the text.

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SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED

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