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Charter of the Audit Committee

Don Muang Tollway Public Company Limited



## Charter of the Audit Committee

### Don Muang Tollway Public Company Limited

Charter of the Audit Committee was approved by the Company's Board of Directors Meeting No. 4/2023 on November 9, 2023.

#### 1. Objectives

The Audit Committee, composed of independent directors appointed by the Board of Directors of Don Muang Tollway Public Company Limited (**the Company**), is responsible for assisting the Board in overseeing good corporate governance. The committee ensures effective and efficient management, compliance with various regulations, and the presence of a robust internal control system to prevent and minimize resource leakage and loss. This oversight is conducted within the framework of risk management and is grounded in ethics, honesty, and transparency at all levels of the organization. The committee also ensures equal disclosure of information to stakeholders, considering the rights of individuals or relevant entities involved.

#### 2. Qualifications, Appointment, and Term of Office

##### 2.1 Qualifications

- 2.1.1 The Audit Committee members must be independent directors and meet the qualifications specified by the Capital Market Supervisory Board and the Stock Exchange of Thailand.
- 2.1.2 They must hold no more than 1% of the total paid-up capital of the Company, its subsidiaries, associated companies, or related companies, including shares held by related persons.
- 2.1.3 They must not be directors assigned by the board to make decisions in the company's operations, the parent company, subsidiaries, associated companies, or major shareholders, nor have control over the Company.
- 2.1.4 They must not serve as directors of the parent company, subsidiaries, or subsidiaries of the same tier, except for companies that are publicly listed.
- 2.1.5 They must be able to express opinions independently, without direct or indirect interests or benefits in the company's financial or management affairs, including



those of its subsidiaries, associated companies, or major shareholders. They must not have held such interests or benefits within one year prior to being appointed as an audit committee member, unless the board of directors has carefully considered and concluded that such relationships would not affect the member's ability to perform their duties or express opinions independently.

- 2.1.6 They must possess sufficient knowledge and experience to perform their duties as audit committee members. At least one member of the audit committee must have accounting or financial expertise, with enough experience to review the reliability of the financial statements.

## **2.2 Appointment**

- 2.2.1 The Board of Directors or the shareholders' meeting of the Company is responsible for appointing the Chairman and members of the Audit Committee.
- 2.2.2 The Audit Committee must consist of at least 3 independent directors of the Company, who meet the qualifications outlined in Section 2.1.
- 2.2.3 The Head of the Internal Audit Department acts as the Secretary of the Audit Committee.

## **2.3 Term of Office**

- 2.3.1 Audit committee members serve a term of three years from the date of their appointment. They may be reappointed if deemed appropriate by the Board of Directors.
- 2.3.2 If any audit committee member wishes to resign before the end of their term, they must submit a resignation letter to the Chairman of the Board of Directors. The resignation will take effect on the date the letter reaches the company. The Board of Directors will then appoint a qualified replacement for the resigning member to serve the remainder of the original term. The board must appoint a replacement audit committee member within 90 days of the resignation.

In cases where the entire audit committee is removed from office for reasons other than disqualification or legal prohibition, the outgoing committee members must continue to serve in their positions as necessary until the new audit committee assumes its duties.



### 3. Scope of Duties and Responsibilities

- 3.1 Review to ensure that the Company prepares accurate and adequate financial reports.
- 3.2 Review to ensure that the Company utilizes suitable and effective internal control and internal audit systems, as well as consider the approval of the internal audit plan.
- 3.3 Review to ensure that the Company complies with laws on securities and exchange, requirements of the Stock Exchange of Thailand, and applicable laws related to the Company's businesses. The Company directs the corporate governance for sustainability working team to review that the Company's subsidiaries are in compliance with the subsidiary governance policy specified in the Company's good corporate governance policy.
- 3.4 Supervise the Company's business operations to ensure compliance with the principles of corporate governance, business sustainability plan on the Environmental, social, and governance (ESG) by clearly separating ESG into 3 dimensions: E in-process, S in-process, and G in-process by determining guidelines, recommending policies and practices, and offering advice, evaluation, and policy review, as well as working group appointment for sustainability in operations.
- 3.5 Consider, select, nominate for appointment of a person with independence to be the Company's external auditor, and propose the remuneration thereof, as well as attend meetings with the external auditor without the presence of the Management at least once a year.
- 3.6 Consider the Internal Audit Office's independence and give approval on the recruitment, appointment, transfer, and termination, including evaluation of the yearly performance, of the head of the Internal Audit Office.
- 3.7 Consider connected transactions or transactions that may have a conflict of interest, including the list of acquisitions or disposals of the Company's assets, to ensure compliance with laws and the requirements of the Stock Exchange of Thailand, as well as regulations on connected transactions and the Company's good corporate governance policy, to be certain that such transactions are reasonable and of maximum benefits to the Company.
- 3.8 Review to ensure that the Company has a suitable and efficient risk management system.



- 3.9 Prepare the Audit Committee's report for disclosing in the Company's annual report and the Audit Committee's report shall be signed by the Chairman of the Audit Committee and contain at least the following information:
- 3.9.1 Opinions on the accuracy, completeness, and reliability of the Company's financial reports.
  - 3.9.2 Opinions on the adequacy of the Company's internal control system.
  - 3.9.3 Opinions on compliance with laws on securities and exchange and the requirements of the Stock Exchange of Thailand or applicable laws related to the Company's businesses.
  - 3.9.4 Opinions on compliance with the Company's principles of corporate governance.
  - 3.9.5 Opinions on the suitability and effectiveness of the Company's risk management process.
  - 3.9.6 Opinions on the suitability of the external auditor.
  - 3.9.7 Opinions on transactions that may have a conflict of interest, related-party transactions or connected transactions.
  - 3.9.8 Total number of the Audit Committee's meetings and the meeting attendance of each member of the Audit Committee.
  - 3.9.9 Overall opinions or observations the Audit Committee has acquired from the performance of duties according to the Charter.
  - 3.9.10 Other information that should be known by the shareholders and general investors under the scope of duties and responsibilities as assigned by the Board of Directors.
- 3.10 Be empowered to hire consultants to perform duties as may be deemed appropriate by the Audit Committee at the Company's budget.
- 3.11 Consider budgets and resources for use in the management of the Internal Audit Office, personnel, and internal audit operations, to ensure suitability and sufficiency, including support to internal audit development on a continuous basis.
- 3.12 Evaluate the performance of the Audit Committee at least once a year.
- 3.13 Perform other duties as assigned by the Board of Directors at the approval of the Audit Committee.



#### 4. Meetings

- 4.1 The Audit Committee must meet at least once every quarter. The Chairman of the Audit Committee may call additional meetings as necessary and appropriate.
- 4.2 For a meeting to form a quorum, at least half of the Audit Committee members must be present, either in person or through teleconference or other electronic means, as allowed by law and company regulations.
- 4.3 Resolutions at the meeting shall be passed by a majority vote of the members present. Each Audit Committee member has one vote. In case of a tie, the Chairman of the meeting has the casting vote.
- 4.4 If the Chairman of the Audit Committee is absent or unable to perform their duties, the attending members shall elect one among them to chair the meeting.
- 4.5 Any Audit Committee member who has a direct or indirect interest in the matter under consideration is not allowed to vote on that matter.
- 4.6 The Audit Committee has the authority to request documents or access company and subsidiary information within the scope of their duties, as necessary and appropriate. They may also invite management, internal auditors, external auditors, or relevant parties to attend meetings to provide explanations as needed.

#### 5. Reporting

- 5.1 While performing their duties, if the Audit Committee finds or suspects that the following issues may significantly impact the Company's financial position or operations, they must report to the Board of Directors for corrective action within an appropriate timeframe as deemed necessary by the Audit Committee:
  - 5.1.1 Conflicts of interest
  - 5.1.2 Fraud, irregularities, or material deficiencies in the internal control system
  - 5.1.3 Violations of securities laws, the Stock Exchange of Thailand's regulations, or laws related to the Company's business.

If the Board of Directors or management fails to take corrective action within the specified timeframe, any Audit Committee member may report the matter to the Securities and Exchange Commission or the Stock Exchange of Thailand.



- 5.2 The Company's reports to the Stock Exchange of Thailand must comply with the regulations set by the Stock Exchange of Thailand.

## **6. Secretary of the Audit Committee**

- 6.1 The Secretary of the Audit Committee is responsible for assisting the committee in arranging meetings, preparing agendas, distributing meeting documents, and recording meeting minutes. These duties may be performed through electronic or other means as permitted by law and Company regulations.
- 6.2 The Secretary coordinates the activities of the Audit Committee, liaising with both internal and external departments to ensure the smooth execution of the committee's duties.
- 6.3 The Secretary prepares and submits audit reports to the Audit Committee for approval before presenting them to the Board of Directors.
- 6.4 The Secretary also performs other duties assigned by the Audit Committee.

## **7. Stock Exchange of Thailand Regulations**

The current regulations of the Stock Exchange of Thailand, including any future amendments, are incorporated into this charter.

## **8. Charter Review**

Charter of the Audit Committee must be reviewed at least once a year.

## **9. Cancellation of the Previous Charter**

Charter of the Audit Committee of Don Muang Tollway Public Company Limited, announced on January 1, 2023, is hereby revoked. This current charter takes effect from the date of approval by the Board of Directors.

(Mr. Sombath Phanichewa)

Chairman of the Board of Directors

Don Muang Tollway Public Company Limited