



Audit Committee Charter

OF

**SIAM STEEL SERVICE CENTER
PUBLIC COMPANY LIMITED**

Update: Year 2025

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The Audit Committee is a sub-committee of the Board of Directors organized as an important tool or mechanism required of business to ensure the Company's good corporate governance. The Audit Committee as an independent committee will help increase flexibility in management function of the Board of Directors. The Audit Committee can express its straight opinion on financial reports and internal control systems, and accommodate discussion and consultation between management and external auditor with a view to managing possible risks and ensuring complete and correct disclosure in financial reports according to applicable standards and regulations in order that such reports are credible.

1. Objectives.

The aims of the establishment of an Audit Committee are to create efficiency in the operations and to add value to the organization which would give effect to:

- (1) Increment of reliability and creditability of financial reports.
- (2) Increase of carefulness in the performance of duties of the Board of Directors as the Board of Directors would be concerned about its responsibilities towards:
 - 2.1 Reporting of financial information;
 - 2.2 Selection of proper accounting policies;
 - 2.3 Financial management;
 - 2.4 Internal control system and internal audit;
 - 2.5 Formulation of business strategies and policies;
 - 2.6 Compliance with applicable regulations and laws;
 - 2.7 Management and control of business risk.
- (3) Improvement of duties and process of the internal and external audit and increase of efficiency in the communication among the Board of Directors, internal audit department and external auditor.
- (4) Accommodation of formal meetings between the Board of Directors and the financial management department.
- (5) Reinforcement of independence of the internal auditor and internal audit department to enable them to present straight opinions that will give rise to more efficient operations.

(6) Encouragement of the preservation of independence of the external auditor and provision of framework to enable the external auditor to present straight opinions in case that a conflict with the management may arise.

(7) Improvement of quality of the internal audit reports.

(8) Strengthening of the role and authority of outside directors.

(9) Assurance of the directors' understanding of the defined scope of audit.

2. Composition of the Audit Committee.

2.1 The Audit Committee shall consist of at least 3 independent members. The members of Audit Committee shall be appointed by the Board of Directors or shareholders' meeting.

2.2 At least one member must possess proper and sufficient knowledge and experience in reviewing the reliability of financial statements and operations of financial institutions.

2.3 The Board of Directors shall select 1 member of the Audit Committee to be Chairman of the Audit Committee.

2.4 The Audit Committee may appoint the Company Secretary or any of the Company's employees to act as Secretary to the Audit Committee. The Secretary to the Audit Committee should be appointed to assist the Audit Committee in performing work pertaining to summoning of meetings, preparation of agendas, delivery of supporting documents for the meetings and keeping of minutes.

3. Qualifications

1. Member of the Audit Committee must be a member of the Company's Board of Directors and an Independent director and shall have the qualifications stipulated under the Securities and Exchange Commission and the Stock Exchange of Thailand guidelines.

2. Member of the Audit Committee must not be a director assigned by the Board of Directors to make decisions on business operations in the Company, its parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder, or the person having power to control the Company.

3. Member of the Audit Committee must not be a director of its parent company, subsidiary company, or same-level subsidiary company which is also listed on the Stock Exchange of Thailand.
4. Having sufficient knowledge and experience to perform the duty of an audit committee. There must be at least one audit committee member, who is sufficiently knowledgeable and experienced to review the reliability of financial statements.

4. Terms of positions

1. The term of each committee members is 2 years from March 19, 2011 onward.
2. The members who retire upon the expiration of the term of service may be re-appointed.
3. The Audit Committee member shall be vacated upon:
 - 3.1 termination of directorship;
 - 3.2 being disqualified as an Audit Committee member according to applicable laws;
 - 3.3 resignations;
 - 3.4 deaths;
 - 3.5 being terminated as an Audit Committee member by resolution of the Board of Directors.

5. Duties and Responsibilities of the Audit Committee

Scopes of duties and responsibilities:-

An audit committee has the duties as delegated by the Company's board of directors, as follows:

- (1) To review the Company's financial reporting process to ensure that it is accurate and adequate;
- (2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;

(3) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;

(4) To consider, select and nominate or dismissal of the external auditors. The external auditors must be independent nature to undertake the auditor's duties for the company and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;

(5) To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;

(6) To prepare, and to disclose in the Company's annual report, (Form 56-1 One Report), an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:

- (a) An opinion on the accuracy, completeness and creditability of the Company's financial report,
- (b) An opinion on the adequacy of the Company's internal control system,
- (c) An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
- (d) An opinion on the suitability of an auditor,
- (e) An opinion on the transactions that may lead to conflicts of interests,
- (f) The number of the audit committee meetings, and the attendance of such meetings by each committee member,
- (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
- (h) Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and

(7) Support and follow up to ensure that the Company has an efficient risk management system.

(8) In carrying out the Audit Committee's duties, if it is found or has any suspects that there are transactions or the following doings which may have a considerable impact on the Company's financial status and performance; it should report to the Board of Directors in order to correct them in a suitable time frame set by the Audit Committee;

- a) Transactions causing conflicts of interests.
- b) Fraud or irregularity or key mistakes in the internal control system.

- c) Breach of laws concerning securities and stock exchange, regulations of the Stock Exchange of Thailand, and other laws related to the Company business.

If the Board of Directors or executives failed to arrange them correctly in due course, any member of the Audit Committee may report such transactions or doings to the Securities and Exchange Commission or the Stock Exchange of Thailand.

(9) Review and certify the self-assessment on anticorruption measures assessed by the Corporate Governance Division, to ensure that the Company has various anti-corruption systems as reported in the self-assessment form of the Thai Institute of Directors Association (IOD).

(10) The Audit Committee may solicit suggestions, advice, or opinions from external consultants or professional experts at the expenses deemed reasonable by the Audit Committee. The expenses incurred shall be borne by the Company.

(11) To improve the Charter of the Audit Committee and present it to the Board of Directors for approval;

(12) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

6. Meetings of the Audit Committee

1. The Audit Committee shall convene the meeting at least 4 times a year depended on situation and necessary to ensure achievement of the works assigned.
2. The Audit Committee may invite the Company's management, internal auditor, compliance officer, external auditor, or other involved staff to attend the meeting.
3. The Audit Committee may solicit suggestions, advice, or opinions from external consultants or professional experts at the expenses deemed reasonable by the Audit Committee. The expenses incurred shall be borne by the Company.
4. At least half of the Audit Committee members shall form a quorum.
5. In the absence of Audit Committee chairman, the committee members may appoint a member to temporary chair the meeting.
6. Decisions shall be made at the Audit Committee meeting upon majority vote. In the event of a tied vote, the Chairman of the meeting shall have a casting vote.

7. Reporting of the Audit Committee:

The Audit Committee has the duty and responsibility to report its activities or any other duty as assigned by the Board of Directors. The reports of the Audit Committee are important to the Board of Directors, shareholders and general investors because they will provide independent and straight opinions of the Audit Committee and ensure the Board of Directors that the management has carried out management function in a careful manner and has due regard to the consequences on all the shareholders equally.

(1) Reporting to the Board of Directors

1.1 Report on regular activities so that the Board of Directors is kept informed of activities of the Audit Committee.

- Minutes of meetings of the Audit Committee which clearly specify opinions of the Audit Committee on various matters.
- Summary report of activities during the year.
- Report concerning comments on financial report, internal audit and internal auditing process.
- Any other report which should be disclosed to the Board of Directors.

1.2 Immediate report on the findings so that the Board of Directors can seek a solution on a timely basis.

- Report on conflicts of interests.
- Suspected or presumed fraud or irregularity or material defect in the internal control system.
- Suspected infringement of law or any regulations of the Stock Exchange of Thailand.
- Any other report which should be disclosed to the Board of Directors.

(2) Reporting to the Authorities

If the Audit Committee has reported about anything which has material impact on the financial condition and results of operation to the Board of Directors and has discussed with the Board of Directors and the management that any rectification is necessary, upon completion of the period of time mutually fixed if the Audit Committee finds that such rectification has been unreasonably ignored, any member of the Audit Committee may report such finding to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

(3) Reporting to the Shareholders and General Investors

Report on activities carried out during the year according to the duties and responsibilities delegated by the Board of Directors, which shall be signed by the Chairman of the Audit Committee and disclosed in an annual report of the company.

(4) Reporting to Thai Private Sector Collective Action Against Corruption (CAC) Council

Arrange for operations to be carried out in appropriate and adequate ways for review the suitability of following the self-assessment form regarding anti-corruption measures and report the information in this self-assessment form to be accurate and sufficient for submission to Thai Private Sector Collective Action Against Corruption (CAC) Council for the purpose of entering the certification process.

8. Evaluation of the Audit Committee.

To ensure that the performance of work of the Audit Committee is efficient and meets the objectives, the Audit Committee shall evaluate its performance by providing Audit Committee Self-Assessment or other appropriate mechanism in order to use the results of the evaluation for improving the performance of work to achieve higher efficiency and the objectives intended for.

9. Remuneration.

The Board of Directors' fixing remuneration of Audit Committee Chairman and Audit Committee to propose for approval by shareholders' meeting.