

Internal Audit Charter



Sikarin Public Company Limited

Introduction

This Internal Audit Office Charter was created to provide guidelines for the operations of the Company's Internal Audit Office. Sikarin Public Company Limited (the "Company") in performing its internal audit duties as assigned with efficiency and maximum benefit to the Company.

1. Definition

"Internal control" means a system or process or procedure that creates confidence in achieving the company's objectives regarding

- 1) Efficiency and effectiveness of operations
- 2) Reliability of financial reports
- 3) Compliance with relevant laws and regulations
- 4) Measures against fraud and corruption

"Components of internal control" consist of

- 1) organization and environment
- 2) Risk assessment
- 3) Controlling the operations of the management department
- 4) Measures for regulating the dissemination of information and communications
- 5) Follow-up system

"Independence" means freedom from major shareholders and executives sufficient to express independent opinions or ask questions about issues that may be suspicious in an internal audit from those involved or those being audited.

"Independent opinion" means expressing opinions or reporting freely in accordance with assigned internal audit missions. Regardless of any benefits related to property or position and not under the influence of any person or group of people. There is also no situation that will force one to not be able to express their opinions as they should.

2. Objectives of the Company's internal controls

The Company's internal control aims to support and supervise the Company to have a good, sufficient and appropriate internal control system to assure all involved parties that

- 1) The operations or operations of the company are carried out efficiently. Effective and in accordance with the policies, regulations or plans of the company as well as related laws or regulations.
- 2) The Company's assets are carefully protected and kept in a condition ready for use. Free from leakage, wastage, wastage or use that does not benefit the Company.
- 3) Reliable financial reports are prepared.

- 4) Anti-corruption and Corruption have established risk management measures and guidelines for managing it correctly, appropriately and adequately.

3. Scope of internal control

Internal control has the following scope of operations:

- 1) Review and evaluate the adequacy and effectiveness of the Company's internal controls and risk assessments.
- 2) Review the reliability of accounting information and financial reports, accounting recording methods according to accounting standards or according to generally accepted accounting principles and with adequate disclosure.
- 3) Evaluate the accuracy, reliability, and adequacy of work systems and information systems. Including the security of information systems to have tight, appropriate and efficient internal controls.
- 4) Review the adequacy and appropriateness of recording the use and maintenance of the Company's assets and benefits.
- 5) Review compliance with the principles of good corporate governance or corporate governance.
- 6) Review and evaluate the internal controls of the operating systems of the company's departments. Follow the policies, rules, and regulations of the company. Including relevant legal requirements or government regulations including the quality of the operations of the Company's departments.
- 7) Review internal controls regarding fraud and corruption including various management measures related to fraud and corruption.
- 8) Audit Committee, Board of Directors or the Executive Committee may assign it to observe, investigate and find out the facts or investigate work related to internal auditing on issues that are errors, doubts or corruption, report and give opinions.
- 9) Provide advice, comments and suggestions regarding internal auditing practices or related work for the Audit Committee, the Board of Directors and the Executive Committee In order for the Company to have a tight, appropriate, and more effective internal control system.

4. Internal control standards

The internal audit work of the Company's internal audit department must be in accordance with

- 1) Professional standards for internal auditing of the Association of Internal Auditors of Thailand that are generally accepted or
- 2) Criteria specified by the Securities and Exchange Commission and/or the Stock Exchange of Thailand or
- 3) Accounting professional standards

5. Duties and responsibilities of the internal audit department

The Company's internal audit department has the following duties and responsibilities:

- 1) Prepare an annual internal audit plan and submit it to the Audit Committee for approval within the last month of the company's fiscal year.
- 2) Inspect, evaluate, and monitor the operations of the Company's departments in accordance with policies, regulations, orders, as well as Company and legal requirements.
- 3) Review and report on reliability and completeness. Sufficiency in disclosing financial and non-financial information related to the company's internal audit.
- 4) Check the internal control system and risk assessment at every step. Operations of each department In order to have confidence that there is an internal control system that is appropriate, tight, adequate and in accordance with the good corporate governance process.
- 5) Check the information technology system by checking the general control of the system (IT General Control) and checking the specific control of the work system (IT Application Control).
- 6) Require a review of the internal control of the management measures related to fraud and corruption of the company.
- 7) Provide advice, advice, review and suggest ways to improve internal control, risk assessment and good corporate governance to executives and auditing agencies.
- 8) Coordinate giving advice, recommendations, and participate in investigations (if any) regarding fraud and corruption with relevant agencies.
- 9) Report all material facts discovered fully to the Audit Committee and senior management.
- 10) Monitor and inspect the implementation of recommendations from the audit of the internal audit department, auditors and government agencies that supervise them. To ensure that the management has implemented them effectively.
- 11) Prepare a report on the inspection results and present it to the inspection unit, management department for consideration within 30 days from the date the inspection is completed and summarize and present to the Audit Committee for information on a regular basis every time the Audit Committee meets.
- 12) If information or the results of the inspection are received, it is found that there are circumstances that believe there is corruption, the head of the internal audit department must notify or report the results of the inspection to the Audit Committee for information as specified.
- 13) Carry out a self-evaluation of the Audit Committee.
- 14) Perform any other internal audit work as assigned by the Audit Committee, Executive Committee and the Board of Directors

6. Powers, duties and responsibilities in internal auditing

Internal auditors of the Internal Audit Department have authority, duties and responsibilities for internal auditing of the Company. According to the internal audit plan and internal audit scope as follows:

- 1) Request to inspect the Company's assets and activities, books, accounts and accounting documents. Correspondence and reports related to the agency's work can be inspected.
- 2) Ask the officials of the unit to inspect to provide information documents and Clarification on the matter of internal auditing. The executives and officials of the relevant inspection unit must cooperate and facilitate the inspection.
- 3) Internal audit activities must be carried out independently both in terms of scope, steps, duration and content of the inspection report. To carry out the internal audit work efficiently, achieve the goals and according to the established audit plan.
- 4) Internal auditors must disclose conflicts of interest that may arise from audit work to the head of internal audit for consideration and report to the audit committee for further consideration.
- 5) In internal auditing, if the independence of the internal auditor is affected both by facts or by the behavior shown. That internal auditor must disclose details of that impact verbally and in writing to the Head of Internal Audit. To consider and present opinions to the Audit Committee without delay.
- 6) In conducting internal audits, internal auditors must comply with the Code of Ethics for Internal Auditors established by the Association of Internal Auditors of Thailand.
- 7) The Company's Board of Directors, Executive Committee, Audit Committee, and Company executives at all levels must support the independence of the internal audit operations of the Internal Audit Department. This is to achieve the objectives of the Company's internal control.

7. Reporting the results of internal audits

- 1) Have the head of the internal audit report the results of the internal audit. Along with comments and suggestions to the Audit Committee and executives.
- 2) There must be a report on anti-corruption and corruption arising from complaints or from inspection according to the normal plan of the Internal Audit Department to the Audit Committee to receive information. The inspection results must be reported according to the specified period.

8. Chain of command

- 1) The internal audit department reports directly to the Audit Committee.
 - 2) The internal auditor reports directly to the head of the Internal Audit Office. The head of the internal audit department is responsible for giving opinions on appointments, transfers, removals, salary determination, salary increases, compensation and good Preferences of internal auditors Present for approval to the management for consideration by following the criteria, methods and regulations or general legal regulations of the company.
 - 3) The Head of Internal Audit reports directly to the Audit Committee.
- The Audit Committee considers the independence of the internal audit department.

- The Audit Committee is responsible for considering the approval, appointment, transfer, removal and merit of the Head of Internal Audit in accordance with the policy, budget and regulations of the Company.
- 4) The Audit Committee reports directly to the Company's directors.

9. Personnel quality development

- 1) Internal auditors should be promoted and supported by the company to develop their knowledge, skills, and abilities. By participating in continuous academic and professional development and training.
- 2) Internal auditors should develop their knowledge, skills and abilities in continuous investigation of fraud and corruption.
- 3) The head of the internal audit department may from time to time ask for opinions about the quality of internal auditing from the audit unit as a guideline for improving and developing internal audit personnel.

10. Ethics of internal auditors

Internal auditors therefore adhere to and maintain the Code of Ethics to preserve the reputation and promote the honor of internal auditors and their professional fields as follows.

- 1) Perform your duties with honesty diligent and have a sense of responsibility
- 2) Comply with the law and disclose information as required by law and the profession.
- 3) Do not knowingly participate in activities that are against the law or actions that may discredit the internal auditing profession or the organization.
- 4) Respect and support the organization's legal and ethical objectives.
- 5) Not engage in activities or relationships that undermine or may undermine their impartial and unbiased assessment. This includes actions or relationships that are contrary to the interests of the organization.
- 6) Do not accept compensation that impairs or may impair the professional's judgment.
- 7) Reveal all known facts which, if not disclosed, may cause the audit report to be distorted.
- 8) Be careful in using and protecting information obtained in the course of your duties.
- 9) Do not use the information obtained for personal gain or for any purpose that is against the law or against the legitimate objectives and ethical principles of the organization.
- 10) Perform duties only in those areas for which he has knowledge, skills, and experience necessary for that part of work only.
- 11) Perform internal audit work using international standards for internal audit professional practice.
- 12) Continuously develop expertise, effectiveness, and quality of services.

The Internal Audit Department shall review the suitability of the Charter on an annual basis. If it deems it appropriate to make changes, it shall be presented to the Audit Committee for consideration.

This Internal Audit Office Charter is the 2nd revision and is effective from 11 January 2024 onwards, as passed by the resolution of the Board of Directors at Meeting No. 1/ 2024 on 10 January 2024.



Mr. Seni Chittakasem
Chairman