



Krungthai
กรุงไทย

The Audit Committee Charter

Krungthai Bank PCL

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Audit Committee Charter

The Audit Committee was appointed in according to good corporate governance criteria to assist the Krungthai Bank's Board of directors in supervising and offering impartial guidance on risk management, operational oversight, and internal controls across Krungthai Bank PCL and its financial conglomerates. The Committee ensures that operations are managed appropriately, transparently, efficiently, and effectively, and customized to suit the business's scale, complexity, nature, risks, and long-term performance. Furthermore, the Committee advocates for the establishment of a reliable financial reporting system that benefit investors and all relevant stakeholders. It also supervises operations to ensure alignment with policies and strategies, adhering to best practices and international regulatory standards established by regulatory agencies. This oversight helps ensure the stability and sustainability of the Bank and its financial conglomerates' operations.

1. Composition

1.1 The Audit Committee is appointed by the Board of Directors or at the Bank's shareholder meeting. All members of the Audit Committee must be independent directors. The Chairman of the Audit Committee may be appointed by the Bank's Board of Directors or elected by the members of the Audit Committee.

1.2 The Audit Committee consist of at least three members but not more than five members, each possessing the necessary qualifications as outlined below:"

(1) Having sufficient knowledge and experience to be able to perform duties as an Audit Committee member. At least one member of the Audit Committee must have sufficient knowledge and experience in accounting or finance to ensure credible review of the financial statements.

(2) Understanding the banking industry, along with expertise in other pertinent fields as defined in the Audit Committee's competency and skill matrix. These fields include finance, accounting, legal affairs, information technology, business management, marketing, risk management, internal controls, and good corporate governance.

1.3 The Chairman of the Audit Committee shall not also serve as the Chairman of the Board of Directors, the Risk Oversight Committee and the Nomination and Remuneration Committee.

1.4 The Chief Audit Officer shall serve as the Secretary of the Audit Committee by position. If there is no Chief Audit Officer at any time, the Audit Committee will appoint a person from the Audit Cluster at the Department Head level or above to serve as Secretary.



2. Qualifications

2.1 The members of the Audit Committee must meet the qualifications established by the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand.

2.2 The Audit Committee members must not be directors designated by the Board of Directors to establish policies, regulations, and practices, nor may they have authority to make administrative or managerial decisions. In addition, the Audit Committee member must not be employees or advisors receiving monthly wages or remuneration from the Bank, nor individuals or companies affiliated with the Bank, or a major shareholder, for a period of at least two years during or after their term.

2.3 The Audit Committee member must not be directors of Subsidiary or same-level Subsidiary (applicable only to listed companies).

2.4 The Audit Committee member must not be ascendants, descendants or spouses of the Bank's Director, Chief Executive Officer, Chief Officer, Group Head, Chief Audit Officer, the Bank's internal auditors or internal auditors of companies in which the Bank participates in policy and operation decision-making, or of individuals with controlling authority over the company.

2.5 The Audit Committee member must not have current or past business relationships with the Bank or its financial conglomerates that could impair their independent judgment. Additionally, the member shall not be, nor have been, a major shareholder or controlling individual of any entity having a business relationship with the Bank or companies within its financial conglomerates, unless granted an exemption and having met the exemption criteria for at least two years.

2.6 The Audit Committee members must be capable of performing their assigned duties, expressing their opinions, or reporting on performance without influence from any Director, Executive, major shareholder of the Bank, or any their related or close relatives. They must be free of any characteristics that could compromise their ability to provide independent opinions on the Bank's operations.

2.7 The Audit Committee member must be able to devote time and sufficient opinions as an Audit Committee member.

3. Term of Office

3.1 Audit Committee members serve three-year terms. Each year is defined as the period between the annual general meeting of shareholders in the year a Director is appointed and the following year's annual general meeting of shareholders. The Audit Committee members whose terms have expired may be reappointed for additional terms, but for no more than two consecutive terms, unless for a director is deemed suitable for extended tenure. Before reappointing a Director for more than two consecutive terms,



the Board of Directors must assess their independence and effectiveness. However, term renewals are not automatic.

3.2 The Audit Committee Directors may vacate the position for the following reasons:

- (1) completion of the term of office;
- (2) termination of the tenure as a Director of the Bank;
- (3) resignation;
- (4) death;
- (5) disqualification as a member of the Audit Committee under these regulations or pursuant to the regulations of the Stock Exchange of Thailand;
- (6) dismissal by the Board of Directors;
- (7) being convicted and sentenced to imprisonment by a final court judgment or lawful order, except for offences involving negligence or petty offences;
- (8) being legally incompetent or quasi-incompetent; and
- (9) being declared bankrupt.

3.3 A Director who wishes to resign must submit a resignation letter to the Chairman of the Bank's Board of Directors at least 30 days in advance, except in cases of unavoidable necessity. The resignation requires approval from the Board of Directors.

3.4 If an Audit Committee member's term expires or if any circumstance prevents a member from completing their term, and this results in the Audit committee having fewer than the required minimum of three members, the Bank's Board of Directors or the Shareholders' meeting must promptly appoint a qualified individual to fill the vacancy. This appointment must be made within three months of the date the membership falls below the required number. This ensures the continuity of the Audit Committee's operations and compliance with the Stock Exchange of Thailand's listing criteria. This measure is intended to protect the Bank's reputation and image. In this regard, the appointed Audit Committee member will serve the remainder of the term of the member they replace.

4. Scope of Authority

The Audit Committee has the following duties and responsibilities, as delegated by the Bank's Board of Directors:

4.1 The Audit Committee the authority and shall support the Audit Cluster, to access the management, personnel, information, and reports without limitations. If access to information is restricted due to legal requirements or confidentiality obligations, the Audit Committee and/or the Chief Audit Officer should consult with the Bank's Board of Directors to find appropriate solutions.



4.2 The Audit Committee has the authority to invite directors, bank officers, or external individuals to attend meetings for discussions or clarifications within the scope of the duties and responsibilities of the Audit Committee.

4.3 The Audit Committee has the authority to engage consultants or independent specialists to help providing opinions or advice on matters related to its duties and responsibilities, as deemed necessary at the Bank's expense. The consultants or specialists must have no conflict of interest with the Bank, and must not be ascendants, descendants or spouses of the Bank's Director, Chief Executive Officer, Chief Officer, Group Head, Chief Audit Officer, the Bank's internal auditors or internal auditors of companies in which the Bank participates in policies and operations decision-making, or of individuals with controlling authority over the company.

5. Duties and Responsibilities

5.1 Financial Reporting and Information Disclosure

5.1.1 Review the financial reports of the Bank and its financial conglomerates to ensure their accuracy, completeness, and compliance with applicable accounting principles in financial reporting.

5.1.2 Review the related party transactions or transactions that may involve conflicts of interest, including significant asset acquisitions or disposals, to ensure compliance with applicable laws and regulations. Ensure that these transactions are reasonable, benefit the Bank, and are subject to regular monitoring and appropriate disclosure.

In this regard If there is reason to suspect that a Director or Executive has acted unusually or improperly for the benefit of a group or individual, deviating from disclosed objectives and violating applicable laws and regulations, immediate action must be taken to stop such behavior. The regulatory agency must also be notified in accordance with applicable requirements.

5.1.3 Review evidence if there are any doubts about actions that may significantly affect the Bank's performance, or have conflicts of interest that may affect the Bank's operations.

5.1.4 Review both the interim and annual financial reports, ensuring that the reports are comprehensive and consistent with the information known to the Audit Committee, as well as faithfully reflect the appropriate accounting principles.

5.2 Auditor

5.2.1 Ensure independence of the auditors and assess any potential conflicts of interest of the auditors, particularly if they provide services beyond accounting audit responsibilities.



5.2.2 Review the scope of work and the audit plan of the auditors to avoid duplication and overlap with internal audit functions. This review considers the efficient allocation of Audit Cluster resources to maximize effectiveness and benefits.

5.2.3 Consider the selection, appointment, and termination of employment, including the recommendation of auditor remuneration, and propose them to the Board of Directors for submission to the General Meeting of Shareholders.

5.2.4 Review auditor reports on audits, accounting transactions, complex or unusual transactions, and significant disclosures that could affect the reliability of financial reports. The Audit Committee may recommend reviews or examinations of any matters deemed essential and necessary, and provide recommendations to the Board of Directors.

5.2.5 Conduct at least one annual meeting with auditors, without Management and the Chief Audit Officer.

5.2.6 Consider approving the use of non-audit services from the auditor's office to ensure that they do not affect the independence of the auditor's work.

5.3 Bank Operations

5.3.1 Review the Bank's operations focusing on significant risks that impact its objectives including significant changes related to good governance and organizational leadership, strategic planning, risk management and internal control, strengthening risk culture, stakeholder and customer focus, digital technology development, human capital management, knowledge management, and innovation.

5.3.2 Establish a mechanism to monitor and ensure that fundraising funds are used properly and appropriately, in accordance with the disclosed objectives.

5.4 Risk Management

5.4.1 Oversee significant risks, examine and evaluate the effectiveness and efficiency of enterprise risk management for the Bank and its financial business group. This includes risks related to fraud and other issues as requested by the Board of Directors.

5.4.2 Review and provide guidance and recommendations on the risk management processes provided and maintained by Management to ensure that the established procedures are followed respectively.

5.4.3 Acknowledge reports on Management's performance and monitor the proper implementation of risk management process.

5.5 Internal Control

5.5.1 Review and assess the Bank's internal control systems, information technology security, and information technology controls to ensure they are sufficient and effective.



5.5.2 Acknowledge reports on significant operational deficiencies, damages, or fraudulent activities that could negatively impact the reputation, status, or operations of the Bank or companies within the financial business group.

5.6 Compliance with Laws, Rules, and Regulations

5.6.1 Review to ensure that the Bank and its financial conglomerate comply with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, and all applicable banking and financial business laws.

5.6.2 Review the effectiveness of oversight of the Bank and its financial business group, including mechanisms for compliance with laws and regulations, and the operational monitoring system to ensure timely follow-up. This review will also address situations where corrective action is not taken within established timeframes.

5.7 Inspection and Tracking

5.7.1 Supervise the Audit Cluster to adhere to values and ethics and maintain high standards of ethics and ethical conduct. This is to ensure that the internal auditing operations are consistent with the international Standards for the professional practice of internal auditing.

5.7.2 Review and examine the independence of the Audit Cluster and ensure the consistent impartiality of internal auditors.

5.7.3 Review and approve the Audit Cluster Charter at least once a year.

5.7.4 Review and approve the Audit Cluster's strategic plans, objectives, organizational structure, staffing and internal audit projects. Also, review and approve Audit Cluster's budget to ensure the alignment with the internal audit plan.

5.7.5 Review and approve the annual internal audit plan, the annual audit plan for the financial institution's credit transactions, and assess the adequacy of Audit Cluster personnel. Evaluate the necessity of engaging business partners for specific or all internal audit tasks.

5.7.6 Review the performance against the internal audit plan.

5.7.7 Review internal audit reports, loan review reports, and monitor Management's implementation of corrective action plans in response to audit findings and recommendations.

5.7.8 Review and discuss with Management the significant deficiencies identified during audits, and evaluating the Management's response.

5.7.9 Recommend to the Board of Directors the appointment, transfer, dismissal, determination of remuneration, and Chief Audit Officer's performance evaluation.

5.7.10 Access the performance efficiency and effectiveness of the Chief Audit Officer.



5.7.11 Conduct a self-assessment at least once a year, and ensure an external assessment is conducted at least every five years.

5.8 Corruption Matter

5.8.1 Review and evaluate Management's oversight of fraud prevention and anti-corruption efforts.

5.8.2 Review and evaluate the governance policies and procedures related to bribery and corruption to ensure reasonable assurance of fraud prevention and detection, and compliance with legal and ethical obligations.

5.8.3 Review and evaluate the effectiveness of whistleblowing systems and controls, including the handling of internal and external complaints. This is to ensure that investigations are conducted fairly and independently, and that appropriate reporting and follow-up actions are taken.

5.8.4 Oversee the handling of complaints and reporting of misconduct incidents received by the Audit Cluster to ensure appropriate audits are conducted.

5.9 Others

5.9.1 Develop and review the Audit Committee Charter and Operating Guidelines at least once a year, prior to submission for approval by the Bank's Board of Directors

5.9.2 Proceed with a preliminary investigation upon notification from auditor of suspicious fraudulent or illegal activities by Directors or Executives related to their duties in accordance with Section 89/25 of the Securities and Exchange Act. Report the results of such investigations to the Office of the Securities and Exchange Commission and the auditor within 30 days from the date of being notified by the auditor.

5.9.3 Conduct self-assessment at least once a year and present the assessment results to the Board of Directors.

5.9.4 Perform other tasks as assigned by the Board of Directors, under the responsibility of the Audit Committee.

5.9.5 The Audit Committee is tasked with reviewing the roles and responsibilities of its members and determining their term of office. Additionally, the Committee has the authority to engage external consultants, at the Bank's expense, to obtain professional opinions.

6. Meetings

6.1 The Audit committee shall meet at least once per quarter to review quarterly, semi-annual, and annual financial reports and address other matters within its purview. The Chairman of the Audit Committee may call a special meeting to address urgent matters as needed.



6.2 For all meetings of the Audit Committee, the quorum will be met with the presence of at least two-third of all Audit Committee members appointed by the Bank.

The Audit Committee meetings may be conducted via electronic media, including video conferencing or teleconferencing, as deemed suitable. This ensures all Audit Committee members can conveniently participate in discussions, consultations, and express their opinions, regardless of their physical location. The procedures for organizing meetings via electronic media shall be in accordance with the Bank's regulations, applicable laws, or any relevant guidelines.

6.3 If the Chairman of the Audit committee is absent or unable to perform duties, the attending Audit Committee members shall elect one of themselves to preside over the meeting.

6.4 All meeting resolutions shall be decided by a majority vote. In the event of a tie, the Chairman of the meeting shall exercise a casting vote to reach a decision. However, the Secretary of the Audit Committee is not entitled to vote.

6.5 The Audit Committee members with a conflict of interest on any matter must abstain from voting on that matter.

6.6 The meeting agenda should be provided in written form in advance, and supporting documents should be distributed to the Audit Committee prior to the meeting. This ensures that Committee members have adequate time to review the information.

7. Remuneration

The remuneration for the Audit Committee shall be approved at the Annual General Meeting of Shareholders.

8. Reporting

8.1 Upon receiving an internal audit report detailing violations of laws, rules, regulations, operational practices, announcements, or directives related to the Bank's operations, the Audit Committee shall notify the CEO to direct the responsible party within the Bank to take corrective action to ensure compliance with these rules, regulations, practices, announcements, and directives.

8.2 Report to the Board of Directors for correction within a timeframe deemed appropriate by the Audit Committee upon detecting a questionable transaction or actions as follows:

8.2.1 Transactions with conflict of interests.

8.2.2 Dishonest transactions or significant abnormality or deficiency of the internal control systems.

8.2.3 Violations of laws governing financial institutions, securities, and regulations issued by the Stock Exchange of Thailand and the Bank of Thailand, or other relevant laws pertaining to financial institutions and securities.



If the Board of Directors or management fails to rectify the issue within the timeframe specified by the Audit Committee, the Audit Committee must disclose these actions in the annual report and report them to the Bank of Thailand.

8.3 Clearly outline in writing the responsibilities of the Audit Committee, including any changes in its composition and significant updates on its performance, as approved by the Board of Directors. These details must be disclosed to shareholders in the Bank's annual report

8.4 Report the results of the internal audit of the Audit Committee to the Board of Directors at least once per quarter.

8.5 Prepare the corporate governance report and the annual performance report of the Audit Committee for disclosure in the Bank's annual report. The report, signed by the Chairman of the Audit Committee, must include at least the following information:

8.5.1 Opinions on the accuracy, completeness, and credibility of the Bank's financial reports.

8.5.2 Opinions on the adequacy of the Bank's internal control system.

8.5.3 Opinions on compliance with Securities and Exchange Commission laws, Stock Exchange of Thailand regulations, or laws related to the Bank's business.

8.5.4 Opinions on the suitability of auditors.

8.5.5 Opinions on transactions that may have conflicts of interest.

8.5.6 Number of Audit Committee meetings held and the attendance record of each member.

8.5.7 Overall opinions or observations that the Audit Committee has during performing its duties in accordance with the Charter.

8.5.8 Other matters that shareholders and general investors should be informed of, as part of the duties and responsibilities assigned by the Board of Directors.



(Mr. Payong Srivanich)

Chief Executive Officer



(Mr. Panabhand Hankijjakul)

Chief Audit Officer



(Mr. Lavaron Sangsrit)

Chairman of the Board of Directors