

Internal Audit Charter
of
Pinthong Industrial Park Public Company Limited

Internal audit charter is prepared for all levels of staffs within the Group of Companies and the concerned person to have the comprehension of the purpose, chain of command, authority and responsibility of the Internal Audit Group to build assurance and consulting for the auditee. It serves as a regulatory tool for operation and administration auditing with standard and reliability of good corporate governance and to comply with the internal auditing standards and code of conduct including audit quality assurance guidance.

Mission

The mission and scope of work of the internal audit is divided into 2 groups including 1) Assurance Service which is an independence objective audit to get the assessment on risk management process, internal control and systematic governance with avoid conflict of interest and 2) Consulting Service which is advisory and related to the Group of Companies' business activities, the nature and scope of which are agreed with the client, are intended to add value and improve an operation's processes, risk management, internal control, corporate governance and encourages the Group of Companies to achieve its objectives effectively without assuming the management responsibility.

Management Structure

1. The Internal Audit Department will report directly to the Audit Committee and Director of the Internal Audit Department will be the chief of the department. Internal Audit Director cannot assign his responsibility to another.
2. The Audit Committee has an authority to appoint, transfer, remove, determine compensation and evaluate job performance of the Internal Audit Director based on the Company's policy, budget and working procedures.
3. Internal Audit Director has an authority to appoint, transfer, remove, determine compensation and evaluate job performance of internal audit staffs based on the Company's policy, budget and working procedures. This shall be proposed for approval by the Audit Committee prior to submission to Chief Executive Officer for further proceeding.

Scope of Works

Scope of works of the Internal Audit is to ascertain that the Group of Companies has adequate, sound and efficient risk management, internal control and good corporate governance systems which allow it to achieve the following objectives:

1. Proper risk specification, risk assessment and risk management;
2. Accurate, reliable and timely financial, managerial and operational data;
3. Business operation of the Group of Companies in conformance to policies, legal requirements and applicable laws;
4. Efficient resources and asset management and sound and sufficient asset custody;
5. Efficient use of the Company's assets and resources with no fraud or corruption;
6. Reliability and sufficiency of various work systems and IT system as well as sound internal control system to ensure IT security;
7. Observation, audit, review or perform any internal audit works as assigned by the Board of Directors, the Audit Committee, the Executive Committee or CFO in identifying error or deficiencies in job performing or any potential fraud;
8. Objectives of business plans and projected are attained;
9. Continuous quality improvement in every working procedure and control activity;
10. If the independence or objectivity is affected by facts or by behavior that shows, the Internal Audit shall disclose and report details of the impact directly to the Audit Committee.

Scope of Duties and Responsibilities

The Internal Audit is responsible for carrying out internal audit works of the Group of Companies in accordance with the Company's policies, reports directly to the Audit Committee as well as conclude and propose audit results to the CEO. The Internal Audit shall report result of evaluation of internal audit efficiency and risk management system, recommend solutions for improving work system efficiency and monitor work systems of the auditees. Scope of works of the Internal Audit can be outlined as follows:

1. To provide an annual internal audit plan using risk-based methodology for approval by the Audit Committee and acknowledgement by the CEO;
2. To carry out the audit plan as well as to perform an audit for a special project as assigned by the Audit Committee or management;
3. To report internal audit result as well as actual work progress relative to the plan. In case any special case exists, this must be immediately reported to management;
4. To monitor to ensure recommendations as given to the auditee are implemented;

5. To provide necessary supports as well as to provide any necessary data to support performing of duties by the Audit Committee and management in the areas of audit works and applicable laws related to the Group of Companies' operations;
6. To perform audit to ascertain whether the Company's operations are in line with the Anti-Corruption Policy, guidelines, working procedures, applicable rules and regulatory requirements as prescribed by relevant regulatory agencies;
7. To monitor, audit, supervise and evaluate of sufficiency of operation control and internal control systems of each department to ensure they are in line with policy to prevent conflict of interest as well as reviewing and modifying such policy as necessary and appropriate at least once a year. Such amended policy will be proposed for consideration and approval by the Board of Directors;
8. To coordinate with the Company's external auditor to ensure auditing of the Company's financial statements is completed;
9. To provide consulting, advice, review and recommendations in improving the Company's internal control system, risk management system and good corporate governance system to management and the auditees; and
10. To perform any jobs as assigned by the Audit Committee or management apart from annual audit plan.

Internal Audit Authority and Independence

The Internal Audit is authorized and empowered to get access to data, work systems and staffs of the auditee as necessary and appropriate. Management is obligated to provide necessary supports so that job performing by the Internal Audit can be attained in accordance with audit objectives and benefits the Group of Companies. Any documents and data the Internal Audit obtains from their internal fieldworks will be kept confidential and not be disclosed to any parties without approval from management except it is compulsory or required by law to do so

Internal audit staffs shall not be assigned to assist in performing any non-internal audit related works, or perform an internal audit works for the firm (s) he/she used to manage or have a relation with within the period of one year prior to commencement of the audit works. The Internal Audit shall also not perform an audit works that may impact their independence and objectivity in carrying out the duties.

Professional Standards and Conduct

The Internal Audit shall perform their works in accordance with internal audit professional standards as prescribed by the Internal Auditor Association and strictly adhere to Code of Ethics for the Internal Auditors.

Staffs Development

1. Internal audit staffs shall be supported by the Group of Companies in developing and upgrading their professional and business knowledge, skills and other professional capabilities necessary for performing their assignments. They are encouraged to have a relevant professional certificate.
2. Quality of internal audit must be assessed using a questionnaire as responded by the auditee after completion of the fieldwork.

Internal Audit Performing

1. Internal audit fieldworks must be carried out in accordance with internal audit plan with the aim to ascertain that business operations are carried out in accordance with business plans, policies, goals and objectives as well as applicable laws.
2. Exit conference between the Internal Audit and management of the auditee must be arranged to present the audit result and exchange their ideas how to rectify the identified deficiencies and weaknesses.
3. A written internal audit report must be prepared.
4. The Internal Audit will continuously monitor progress of the auditee in rectifying the deficiencies / weaknesses as it recommends
5. The Internal Audit must perform their duties with independence, objectivity, honesty and integrity.
6. The Internal Audit must work or support the performance of relevant or assigned units without prejudice to the independence and impartiality of internal auditor.

Audit Result Report

The internal audit report covers audit objectives, scope of audit, basic information of the auditee, audit result, guideline in rectifying deficiencies / weaknesses of the auditee, recommendations by the Internal Audit as well as opinion of the Internal Audit. The report must be presented to the Audit Committee.

Audit results conclusion shall be presented for acknowledgment by the CEO. The auditee shall provide an effective internal control and risk management system including participation and support of good corporate governance.

The Internal Audit will continuously monitor the auditee's rectification of internal control deficiencies and weaknesses and their following of the recommendations as given by the Internal Audit.

This Internal Audit Charter shall become into force on 13 May 2021 by the approval of the meeting of the Board of Directors no.2/2021 which was held on 13 May 2021.

(Mr. Prasarn Tanprasert)
Chairman