



Audit and Corporate Governance Committee Charter

P.S.P. Specialties Public Company Limited

Audit and Corporate Governance Committee Charter

The Audit and Corporate Governance Committee was established to support Board-of-Directors duties by acting independently in overseeing auditing units and reviewing financial reporting, administration, internal control, and internal auditing to ensure that company operations are in accordance with the law, announcements, requirements, and codes of conduct, and for the company to have good corporate governance and internal audit units and auditors that are independent, transparent, and reliable in the performance and disclosure of company information.

1. Composition of the Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee has the following composition:

- 1.1 The committee must consist of at least 3 independent directors.
- 1.2 At least one committee member must have sufficient knowledge and experience in accounting or finance to review financial statement reliability and credibility. In so doing, one member is elected from and by the committee as the Chairman of the Audit and Corporate Governance Committee.

2. Qualifications of Audit and Corporate Governance Committee Members

A member of the Audit and Corporate Governance Committee must have the following qualities:

- 2.1 Must be a director or an independent director.
- 2.2 Each member of the AC Committee shall possess no characteristics prohibited by the laws on public limited companies, securities and exchange, and any other applicable laws governing the business operation of the Company. They shall not lack those credible attributes as required to be possessed by the Securities and Exchange Commission.
- 2.3 Members must not be those assigned by the Board to decide on business operations related to PSP, the parent company, subsidiaries, associated companies, sister companies, or juristic persons with potential conflicts of interest, or person with controlling power over the Company.
- 2.4 Is not a director of a Company subsidiary that holds shares on the stock exchange.
- 2.5 Exhibits sufficient knowledge and experience to serve on the committee with at least 1 member having sufficient knowledge and experience in accounting or finance to review the credibility of financial statements.

3. Tenure and Election of Members of the Audit and Corporate Governance Committee Appointments and Terms of Office of Audit and Corporate Governance Committee Members

The Board of Directors appoints independent Company directors as members of the Audit and Corporate Governance Committee with 3-year terms of office per Company bylaws starting from the date of appointment. Audit and Corporate Governance Committee members who retire by term completion may be reappointed again, but may not hold office continuously for longer than 9 years unless the board deems the extension necessary in the best interest of the Company.

Audit and Corporate Governance Committee members leave office upon their term of office expiration, death, resignation, removal, or are deemed to lack the necessary qualities to continue service. The board's Chairman is informed in advance for the board to consider appointing a new qualifying independent director (item 2.) to replace the vacating member.

When a member vacates the committee, by either completing or not completing their term of office, and the number of total committee members drops below the minimal composition requirement, a Board of Directors appointment resolution is required to satisfy the requirement and get the committee back to full capacity. The appointment must take place immediately or no longer than 3 months after the day the number of members dropped below the minimum requirement to ensure organizational audit continuity under Audit and Corporate Governance Committee oversight, proper Internal Control, and Company Compliance Policy.

4. Roles, Duties, and Responsibilities of Audit and Corporate Governance Committee Members

- 4.1 Review the company's financial report to be accurate, complete, and reliable, and disclose the information accurately and adequately according to the laws and financial reporting standards, including approving audited quarterly financial statements and annual financial statements, and presenting to the Board of Directors' meeting.
- 4.2 Select and nominate an independent person to act as the Company's auditor and propose the auditor's remuneration, taking into account their credibility, resource sufficiency, the auditing workload of their audit firm, and experience of the personnel assigned to audit the company's accounts.
- 4.3 Review Company-wide Internal Control, Internal Audit, and Risk Management Policy capacities for adequacy, appropriateness, and functionality.

- 4.4 Consider the independence of the Internal Audit Unit based on the performance of duties, and reports, including the chain of command, and approve the appointment, transfer, and dismissal of the head of the unit or the assigned responsible unit. Evaluate the performance of the head of the unit for the Chief Executive Officer to allocate the Internal Audit Unit budget and manpower and present to the Board of Directors for consideration under the regular annual budget.
- 4.5 Review to ensure the Company's information system technology is suitable for supporting the system requirements for up-to-date Internal Control, financial reporting, risk management, information security, and interconnected computer networks.
- 4.6 Review and approve the Internal Control Sufficiency Evaluation Form that is examined and evaluated by the Internal Audit Unit to ensure sufficient Company Internal Control capacity and propose to the Board of Directors for further consideration and approval.
- 4.7 Review the accuracy of the Company's self-assessment form on Anti-Corruption measures and referential material under Thailand's Private Sector Collective Action Coalition Against Corruption project.
- 4.8 Review to ensure Company Compliance Policy, that the Company complies with SET—SEC and Securities and Exchange Act legal requirements and notifications, as well as relevant legal provisions applicable to the Company or its business, or both.
- 4.9 Consider and review the Best Practices of the Audit Committee to prevent and deter inappropriate behavior of listed companies.
- 4.10 Consider and forthcome opinions on connected transactions or transactions that may have conflicts of interest in the legal framework of SET—SEC and Securities and Exchange Act legal provisions and requirements, as well as other legal stipulations applicable to the Company or its business, or both, to ensure reasonable transactions in the best interest of the Company and its shareholders at heart.
- 4.11 Supervise the monitoring of contract undertakings and ensure no potential contractual conflicts of interest. Review the monitoring results at least once a year, present them to the Board of Directors for acknowledgment or further action, depending on the case, and consult the board on further actions to take, if any, including how to handle meeting agendas to consider contracts with potential conflicts of interest.

- 4.12 Consider and review the Corporate Governance Policy, Company Code of Conduct, Anti-Corruption Policy, and any related policies at least once a year, to ensure good Corporate Governance and propose to the Board of Directors for approval.
- 4.13 Monitoring the operation concerned to Corporate Governance to comply with the policy and report the operation performance to the Board of Directors for acknowledgment.
- 4.14 Providing consultation and suggestions to the Company in good Corporate Governance, and encouraging communication to Directors, Executives and Employees to understand the Policies and Best Practice in Corporate Governance and Company Code of Conduct.
- 4.15 Consider and render opinions in the Company's Annual Assessment Report on Corporate Governance, Social Responsibility, and Anti-Corruption performance.
- 4.16 Proceed to ensure the Company has in place (i) a whistleblowing mechanism and the required procedures for receiving and processing complaints and clues from witness personnel who on reasonable grounds and good faith suspects wrongdoing, be it misconduct, corruption, bylaws or legal non-compliance, or Company Code of Conduct or Company Compliance Policy violations, and (ii) an independent whistleblowing investigation process with agents and investigators that take appropriate action under set processes and Company bylaws in the fact-resolution-finding process, be it requesting interviews, reporting progress, and taking necessary actions to resolve the case.
- 4.17 Be observant of any transaction or development of potentially impactful consequences on the Company's financial position and operating results. Immediately notify the Board of Directors upon discovering or suspecting such threat for timely consideration and necessary action by the appropriate timelines recommended by the Audit and Corporate Governance Committee. Such transactions and development include:
- (a) Transactions that cause conflicts of interest.
 - (b) Fraud or abnormality or Internal Control system defect.
 - (c) Company Compliance Policy violations, be it of the Securities and Exchange Act, SEC—SET regulations, requirements, or notifications, or any other relevant legal stipulations applicable to the Company or its business.

Failure of the Board of Directors or executives to make amendments or rectify the situation within the specified timeframe may be reported to the SEC or SET by the Audit and Corporate Governance Committee as appropriate.

- 4.18 Invite management, employees, or related persons to attend meetings to clarify or supplement relevant information and communicate directly with both external and internal auditors and Group management at the same table under the scope and authority granted by the Board of Directors or the Audit and Corporate Governance Committee.
- 4.19 Audit required or relevant persons under the committee's authority and outsource or bring in specialists to assist as necessary in the auditing process and provide opinions or advice thereon. The expenses thereof are included in the committee's budget.
- 4.20 Attend a meeting with the head of the Internal Audit Unit to discuss important matters in the absence of management at least once a year.
- 4.21 Prepare the Audit and Corporate Governance Committee Report with enclosed committee opinions and feedback on various aspects and sources along with relevant information, present it to the Board of Directors, and disclose a copy endorsed by the Audit and Corporate Governance Committee Chairman in the Company's Annual Report. The following information must be included at the minimum:
 - a) An opinion on the accuracy, completeness, and credibility of the Company's financial reports.
 - b) An opinion on the adequacy of the Company's Risk Management and Internal Control systems.
 - c) An opinion on the Company Compliance Policy with the overarching Securities and Exchange Act and SEC—SET legal provisions and requirements, along with other relevant laws applicable to the Company or its business, or both.
 - d) An opinion on the suitability of auditors.
 - e) An opinion on transactions with potential conflicts of interest.
 - f) The number of Audit and Corporate Governance Committee meetings and the itemized attendance thereof.
 - g) The feedback or overall observation on committee performance under the Charter.

- h) Any other shareholder and general investor need-to-know information on Audit and Corporate Governance Committee jurisdiction, duties, and responsibilities assigned by the Board of Directors.
- i) An opinion on Company Corporate Governance.
- 4.22 Report operating results to the Board of Directors every 3 months.
- 4.23 Review and propose to the Board of Directors to consider amending the Audit and Corporate Governance Committee Charter to adapt and progress with significant changes and developments that unfold.
- 4.24 Consider appointing the Company's Head of the Internal Audit Unit as the Secretary of the Audit and Corporate Governance Committee to take care of various committee activities as well as determine the required qualities and qualifications thereof in performing and supporting committee auditing duties and operations.
- 4.25 Undertake any other board assignments with the committee go-ahead.

5. Meetings

- 5.1 Regular Audit and Corporate Governance Committee meetings are held at least quarterly with cooccurring Company financial reporting periods. Special meetings may be called by the Audit and Corporate Governance Committee Chairman as requested by Audit and Corporate Governance Committee Members or the board Chairman to consider matters that require special attention.
- 5.2 Meeting notices, along with relevant agenda and supporting documents, are distributed by the committee Chairman or their designee to all committee members at least 3 days before the meeting date to allow sufficient time to study the material. For urgent matters requiring immediate attention to protect the rights or benefits of the Company, the meeting notices may be sent electronically or in other ways to set the meeting date early.
- 5.3 Committee meetings may be held via teleconference or electronically when relevant Company bylaws, requirements, and criteria are satisfied in so doing.
- 5.4 A committee meeting with Company auditors in the absence of management is to be held at least once a year, be it a special or a regular meeting, or arranged as an additional agenda

separate from others in the same regular meeting. A similar exclusive committee meeting with executives is also arranged at least once a year.

6. Quorum and Voting

6.1 At least half of all committee members must be present in a committee meeting to constitute a quorum. When the committee Chairman is absent from the meeting or incapacitated, a committee member is elected from and by the committee members attending the meeting as the acting meeting Chairman.

6.2 Meeting resolutions are based on the majority vote.

6.3 Every committee member is entitled to one vote in any meeting agenda except those where they may have a conflict of interest with the matter being voted on, in which case their right to vote is forfeited. The Chairman is entitled to cast a tiebreaker to decide the resolution when the vote count results in a tie.

7. Self-Evaluation Performance Assessment of the Audit and Corporate Governance Committee

7.1 A performance assessment of the committee is conducted at least once a year, i.e., the annual assessment, both as a group and individually, by self- or cross-assessment methods, to feedback on the committee's oversight, Internal Control, and auditing performance, discuss work-related problems, and propose solutions, rooms for improvement, and best practices for operational functionality.

7.2 The committee may outsource external consultants to jointly determine guidelines to assess its performance and suggest issues and concerns thereon as necessary and appropriate.

7.3 Report the committee's annual performance assessment results to the Board of Directors for acknowledgment and comments for further performance improvements.

8. Remuneration

The Audit and Corporate Governance Committee's remuneration rates are considered and approved by the shareholders' meeting.

9. Charter Review

The committee reviews this charter at least once a year and makes recommendations for improvements as appropriate from an insider's view and proposes the review to the Board of Directors to consider charter amendments.

This Audit and Corporate Governance Committee Charter is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.