

## **Audit Committee Charter of Airports of Thailand Public Company Limited**

### **Preamble**

This Audit Committee Charter provides a scope of authority, duties and responsibilities of the Audit Committee of Airports of Thailand Public Company Limited (AOT) (“The Company”). It aims to be an effective mechanism for the Board of Directors to ensure the establishment of the good corporate governance principles, appropriate risk management, and high-quality internal control and internal audit systems in the Company’s operations, thereby enabling the Company to be an effective organization and attain its objectives.

### **Principles and Objectives**

The performance of duties of the Audit Committee focuses on ensuring the success and effectiveness of the Company’s operations, reducing risks to an acceptable level, and establishing the good corporate governance within the Company. To accomplish those objectives, it is therefore necessary for the Audit Committee to independently and impartially provide opinions and suggestions to the Board of Directors and/or the President.

This Audit Committee Charter, as approved by the Board of Directors Meeting No. 11/2009 held on September 24, 2009, shall supersede the previous Audit Committee Charter, as approved by the Board of Directors Meeting No. 7/2007 held on February 22, 2007, and be enforced instead.

### **Monitoring System of the Audit Office’s Performance**

1. The Audit Office shall be responsible for reviewing the Company’s internal affairs relating to the corporate governance, risk management and internal control systems in compliance with international standards.

2. In order to ensure that the Audit Office has exercised an adequate degree of independence in its performance of duties to attain the objectives in an effective manner, the Audit Committee shall be responsible for supervising the audit function of the Audit Office and the Vice President of the Audit Office shall be responsible for directly reporting the audit results to the Audit Committee for consideration according to the methods set out by the Audit Committee.

As regards the executive and administrative functions of the Audit Office, the President of the Company, as a responsible person for the whole administration of the Company, shall supervise and support the internal affair audits covering all units’ operations, make decisions and provide timely and appropriate directions towards the audit results, observations and suggestions of the Audit Office. In case that the President has not rendered any directions on those suggestions, the clarification on such matter shall be made to the Audit Committee thereby.

## **Structure, Composition, Appointment, Term of Office and Remuneration of the Audit Committee**

3. The Audit Committee shall be appointed by the Board of Directors and consist of at least three but not more than five independent members without the Company's executive duties. At least one member must have knowledge, experience and expertise in accounting or auditing and one member must have understanding and expertise in the Company's business, and another member must have knowledge, experience and expertise in law.

4. The Board of Directors or all appointed members of the Audit Committee shall select one member as Chairman of the Audit Committee. A Vice President of the Audit Office shall act as Secretary to the Audit Committee.

5. The term of each member is three years from the date the resolution on the appointment is passed by the Board of Directors. The members whose term of office expires may be re-appointed but shall not hold more than two terms of office.

6. Other than the expiration of term of office, any members shall vacate the office upon:

- (1) Death
- (2) Resignation
- (3) Removal from the directorship by reasons specified in the Company's Articles of Association

The change in the directorship of the Chairman of the Audit Committee shall not affect the directorship of other members.

In the event where members become vacant by reasons other than upon the expiration of term of office, the Board of Directors shall appoint persons who are fully qualified as replacement. The replacing member shall hold the office for the remaining term of office of the members whom they replaces. Such replacement shall also be notified the Stock Exchange of Thailand within the timeframe stipulated by the law.

7. The benefits and remuneration of the Chairman and members shall be determined by the Board of Directors and Shareholders' Meeting.

## **Authority, Duties and Responsibilities of the Audit Committee**

### **8. Authority**

8.1 The Audit Committee shall have authority to request for a written explanation of information from other units or to invite the management and employees to attend a meeting with the Audit Committee to provide oral or written evidence that the Audit Committee deems necessary and appropriate for its performance of work. It shall be deemed as the duty of the management and employees invited, questioned or requested for information to provide cooperation. Any negligence or ignorance to the request of the Audit Committee shall be considered as a disciplinary offence. The intention to falsify, misrepresent or conceal the information that may cause damage to the Company shall also be deemed as a severe disciplinary offence.

8.2 The Audit Committee shall have authority to review the Company's rules, regulations and methods concerning work performance which could have an impact on the management of the accounting and finance, internal control, corporate

governance and risk management in order to provide observations, opinions and suggestions to the sub-committee and the Board of Directors, in the case where rectification, improvement or development is needed.

**8.3** The Audit Committee shall have authority to perform or operate any of acts as necessary so as to accomplish duties as prescribed in this Charter or any special duties assigned by the Board of Directors.

**8.4** The Audit Committee shall have authority to proceed with the following matters upon approval of the Board of Directors.

8.4.1 To obtain outside counsel to be given to the Audit Office and/or the Audit Committee with respect to its performance of duties.

8.4.2 To hire external persons, on a temporary basis, to provide assistance to the Audit Office in the case where work load has outnumbered its existing workforce to the extent that incapable of completing duties in time and positively to the Company.

## **9. Duties and Responsibilities**

**9.1** To review the Company's internal performance and to provide suggestions to the Board of Directors and/or the management in the case where the Audit Committee deems that they could contribute to the effectiveness of the Company and its units' performance and meet the objectives of the good corporate governance principles.

**9.2** To review the Company's establishment of its internal control, risk management, internal audit and data information security systems in a secure and effective manner and in accordance with the internationally accepted standards.

**9.3** To review the Company's performance to ensure compliance with the rules, regulations, Articles of Association, Cabinet's resolutions, relevant laws and a code of conduct.

**9.4** To review the Company's compliance with the law governing Securities and Exchange, regulations of the Stock Exchange of Thailand and any relevant laws relating to the Company's business.

**9.5** To review the regularity and appropriateness of the accounting standards and financial reports of the Company and its units in order to ensure that they are accurate and credible concurrently with disclosing adequate information according to the generally accepted accounting standards and international accounting standards.

**9.6** To consider, select and nominate an independent person as the Company's auditor, to propose such person's remuneration, and to attend a non-management meeting with the auditor at least twice a year.

**9.7** To promote the independence of the auditor, and to ensure that the Audit Office's performance is based on independence, rectitude and international standards, and to enhance adequate and appropriate cooperation among the management, the auditor and the Audit Office.

**9.8** To examine any reports submitted by the auditor to the management and to provide any significant observation and suggestion for rectification of weak

points, deviancies or defects found essential during auditing, to consider and provide opinions to the Board of Directors. The Audit Committee may require further information from the auditor so as to obtain correct understandings concerning such reports and ensure that any beneficial observations and suggestions are considered by the Board of Directors and then put into practice. In the case where any observations or suggestions are not considered or followed without excusable reasons, the Audit Committee may consult the management and propose them to the Board of Directors for re-consideration.

**9.9** To provide suggestions on the appointment, discharge, transfer and dismissal of the Vice President of the Audit Office to the Board of Directors.

**9.10** To jointly consider with the President an annual performance reward of the Vice President of the Audit Office and to jointly consider with the Vice President of the Audit Office and the President the appropriateness of the appointment, transfer and annual performance reward of the Audit Office's staff

**9.11** To supervise, advise and support the Audit Office to independently perform its duties, to review the auditing reports of the Audit Office to ensure that they are elaborated with quality beneficial and applicable to the improvement of the Company units' performance and that any beneficial suggestion is followed to help mitigate risks to an acceptable level.

**9.12** To approve a plan, an annual audit plan, a workforce planning, and a knowledge, skill and personality development plan of the Audit Office workforce to ensure that the auditing covers all areas of finance, accounting and operation, and to monitor the results of such plans.

**9.13** To consider the connected transactions or transactions which may lead to conflicts of interest in accordance with the laws and regulations of the Stock Exchange of Thailand, ensuring that such transactions are appropriate and the most beneficial to the Company.

**9.14** To prepare the Audit Committee's report by disclosing in the Company's Annual Report. The Audit Committee's report must be signed by the Chairman of the Audit Committee and must at least contain the following information:

- (1) Opinions regarding the regularity, completeness and credibility of the Company's financial reports,
- (2) Opinions regarding the adequacy of the Company's internal control system,
- (3) Opinions regarding the Company's compliance with the law on Securities and Exchange, regulations of the Stock Exchange of Thailand or any relevant laws relating to the Company's business,
- (4) Opinions regarding the appropriateness of the auditor,
- (5) Opinions regarding the transactions that may lead to conflicts of interest ,
- (6) The number of the Audit Committee's meetings and attendance record of each member of the Audit Committee,

(7) Opinions or overall observations obtained by the Audit Committee from its performance of duties according to the Charter,

(8) Other reports which should be acknowledged by the shareholders and general investors within the scope of duties and responsibilities as assigned by the Company's Board of Directors.

**9.15** To perform any other acts as assigned by the Company's Board of Directors within the scope of duties and responsibilities of the Audit Committee

**9.16** To review conclusions and supporting evidences in the case where the employees or the management may commit any corruption or abuse of power which might cause damage to the Company, and to present the findings to the Board of Directors for immediate consideration.

**9.17** To review the Company's Articles of Association, rules, regulations, orders, notifications and practices relating to the duties of the Audit Office once a year so as to ensure that they are always appropriate and updated and that the Audit Office adequately maintains its independence to perform its duties in an effective manner. In this regard, the Audit Committee shall propose existing limits and weak points to the Board of Directors for consideration and improvement.

To act according to the above articles. 9.1-9.17, the Audit Committee shall take into account the materiality of matter(s) which might affect the Company's performance.

### **Meetings of the Audit Committee**

**10.** The Audit Committee shall hold at least six meetings per year and may invite non-members to participate in a meeting according to the rules set by the Audit Committee.

Each meeting requires not less than half of the existing members so as to constitute a quorum. The Chairman and each of the members shall have one vote. A decision shall be made on a majority basis. In case of a voting tie, the Chairman shall have one additional vote as a casting vote.

The Chairman of the Audit Committee may call for additional meetings if necessary or requested.

In the case where the Chairman of the Audit Committee is absent or unable to perform his duties, the members attending the meeting shall select any member to be the Chairman of the meeting.

**11.** The Secretary to the Audit Committee and meeting participants other than the Chairman or members of the Audit Committee shall have no voting right in any agenda.

**12.** In the case where the Chairman or members of the Audit Committee have interests in any matters, they shall be prohibited from expressing opinions or voting on matters.

### **Audit Committee Report**

**13.** The Audit Committee shall prepare a report on its performance of duties as follows:

13.1 Prepare a quarterly report in writing to be proposed to the Board of Directors in January, April, July and October of each year.

13.2 Prepare an annual report to summarize its performance of duties according to the Audit Committee Charter and signed by the Chairman of the Audit Committee to be proposed to the Board of Directors and disclosed in the Company's Annual Report as specified in article 9.14

13.3 In the case where the Audit Committee deems as an urgent matter, reports other than that as prescribed in article 13.1 and 13.2 may be prepared to the Board of Directors.

### **Performance Evaluation**

**14.** The Audit Committee shall conduct a self-assessment of performance on a yearly basis and prepare a report on the results of self-assessment to be proposed to the Board of Directors for acknowledgement.

**15.** The Board of Directors shall assess the performance of the Audit Committee by following the methods deemed as appropriate.

### **Others**

**16.** In any case other than those prescribed in this Charter, the Audit Committee shall, at its discretion, apply the best practices appearing in the Manual for the Audit Committee of State Enterprise prepared by the State Enterprise Policy Office, the Ministry of Finance as appropriate.