

Charter of Internal Audit Department

Boutique Corporation Public Company Limited

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This Charter is established to define the mission, scope of work, role and responsibility and authority, as well as the guideline for the operating practice of the Internal Audit Department of Boutique Corporation Public Company Limited (the “**Company**”) and to enable the Board of Directors, Management and employees at all levels to have a brief understanding on the following matters.

Mission

The Internal Audit Department has a mission to strengthen, protect and preserve the organization values by ensuring that risks are being managed, providing advice and developing an in-depth understanding of the business in accordance with the organizational goals and strategies.

Objectives

The objectives of the Internal Audit Department are to assist staff at all levels to be able to perform their duties efficiently and effectively; to promote an appropriate, sufficient and efficient internal control system; and to develop and improve the internal control system in order to increase work efficiency continuously by analyzing, assessing and providing recommendations and advice to support the staff.

Duties and Responsibilities

The Internal Audit Department is responsible for all of the organization's internal audit function and report the internal audit findings to the Audit Committee and Management. The duties and responsibilities of the Internal Audit Department are as follows:

1. to set the purpose, objective, scope of responsibility and operating guideline of the Internal Audit Department;
2. to prepare long-term and annual audit plans according to the risk level of each activity;
3. to assess the adequacy of the Company's internal control system to assure the Audit Committee and high-level executives that there is adequate and appropriate internal control for each activity so that risks are managed at a controllable level;
4. to review and report on the accuracy and completeness of financial information, ensuring its transparency and reliability; make sure that sufficient information is disclosed in the notes to the financial statements; and consider the impact from a change in the accounting standards as well as selection of accounting policies for consideration by the Audit Committee, including the operating procedure, assessment and evaluation;
5. to review and summarize all connected transactions or transactions that may lead to a conflict of interest and report the same to the Audit Committee for further consideration and comments on a quarterly basis in accordance with the laws, rules and regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand;

6. to review whether work systems that may have a material operational or reporting impact are in compliance with the applicable policies, work plans and practices, as well as the relevant laws;
7. to review whether assets are appropriately kept, including verifying the existence of such assets and assessing whether they are effectively utilized;
8. to review the adequacy and appropriateness of the organization's internal control system in order to develop and improve the internal control system to be more efficient and appropriate, as well as encouraging the Company to adopt international standards for risk management, to be able to identify key risks, to have proper risk index and to manage risk effectively;
9. to review and encourage the development of work systems to be more efficient continuously and regularly;
10. to conduct audits on fraud and complaints to ensure compliance with the laws, rules and regulations and to determine guidelines for solving and preventing fraud;
11. to prepare the report of the Audit Committee for consideration and signing by the Chairman of the Audit Committee for further disclosure in the Company's annual report;
12. to prepare the budget and assess the human resources of the Internal Audit Department and propose that same for the Audit Committee's consideration and approval; and
- ~~13. to arrange for the performance of the Audit Committee as a whole and each individual member to be evaluated annually.~~
14. The Internal Audit Department may obtain independent opinions from other professional consultants if it is necessary for giving an opinion on the Company's operation where the Company will be responsible for any expense incurred in connection therewith.
15. The Internal Audit Department may be tasked with other activities concerning internal audit as assigned by the Audit Committee or executives.

Authority of Audit

1. The internal auditors will be at liberty to conduct an audit as they see fit and in accordance with the standards for professional practice of internal auditing.
2. The internal audit supervisor, senior internal auditors and internal auditors are authorized and entitled to access information of work systems and request to conduct an audit on the organization's assets and activities, including books and accounts as well as documents pertaining to bookkeeping, correspondence and reports that are relevant to the internal audit practice as they may deem it necessary and appropriate where the Company's Management of all levels will be required to support the performance of the Internal Audit Department so that the objectives of the audit can be achieved and the Company can receive maximum benefit from such audit.
3. The internal auditors may request for information and explanation on the subject matter of the audit from the departments that are audited.

Any documents and information the internal auditors have acquired or became aware of from an audit must be kept confidential and must not be disclosed to any person without permission from the relevant authorized personnel, except where such disclosure is legally required.

Audit Operating Guideline

1. To conduct periodical audits on the organization's departments to determine if their operation is in compliance with the organization's work plans, policies, goals and objectives, as well as the relevant laws and regulation; provide recommendations on how to improve the work efficiency; and follow up on whether improvements are made in line with the recommendations given.
2. After completing an audit, the manager of the Internal Audit Department must set up a wrap up meeting with the management of the audited department to clarify and exchange opinions on the facts and deficiencies found in the audit as well as action plan before presenting information on the same in the audit report.
3. To issue a written audit report, which explains the audit objectives, scope of audit, deficiencies found and recommendations for improvement.
4. The internal auditors must follow up on the implementation of the recommendations given in the audit report, coordinate with the audited departments and provide advice for correction.
5. The manager of the Internal Audit Department must develop and train the audit personnel to make sure that they have sufficient knowledge and experience to perform an audit on various matters.
6. The internal auditors must perform their duties with loyalty, integrity and independence and they must possess good interpersonal skills, have a sense of propriety and maintain a positive attitude at work.

Qualifications of Internal Auditors

1. Having knowledge, abilities and expertise in the audit practice.
2. Having knowledge and understanding of good corporate governance principles, risk management, laws, rules and orders (an IT internal auditor must also have knowledge on IT control and technical IT audit).
3. Improving professional knowledge and abilities, efficiency and quality of internal audit continuously.
4. Possessing good interpersonal skills, being polite and open to ideas of others and providing useful advice that complies with international standards to the Company.
5. Being independent and not having a conflict of interest in the subject of the audit.

Ethics

The internal auditors must perform their duties in accordance with the ethics of professional internal auditors, which consist of 5 principles as provided below:

1. Integrity
2. Objectivity
3. Confidentiality
4. Competency
5. Transparency

Professional Practice Standards

The practice of the Internal Audit Department must be in accordance with the international standards for professional practice of internal auditing.

This Charter has been approved at the Audit Committee's Meeting No. 2/2018, held on 11 May 2018, and is effective on 11 May 2018 onwards.



(Mr. Kajohnet Sangsuban)

Chairman of the Audit and
Corporate Governance Committee

Boutique Corporation Public Company Limited



(Mr. Permpoon Krairiksh)

Chairman of the Board of Directors

Boutique Corporation Public Company Limited