

 Jaymart GROUP	Internal Control and Internal Audit Policy	
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## Internal Control and Internal Audit Policy

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## Preface

Jaymart Group Holdings Public Company Limited and its joint ventures and subsidiaries (the “Jaymart Group”) have established internal control and internal audit systems as fundamental tools and key mechanisms to ensure effective and efficient management of operations in order to achieve the defined objectives and goals. The Board of Directors and senior management are responsible for establishing adequate, appropriate, and effective internal control and internal audit systems that align with the nature and scale of the business, in accordance with the principles of good corporate governance.

## Objective


1. To establish the internal control and internal audit policy for Jaymart Group Holdings Public Company Limited and its joint ventures and subsidiaries (the “Jaymart Group”) to ensure a consistent approach across the Group.
2. To serve as a tool for communicating the written internal control and internal audit policy to all personnel at every level within the Company, joint ventures, and subsidiaries (the “Jaymart Group”) to promote a mutual understanding.

## Scope of Work

This Internal Control and Internal Audit Policy is intended for the business operations of Jaymart Group Holdings Public Company Limited and its joint ventures and subsidiaries (the “Jaymart Group”), with the purpose of establishing controls, regulations, and internal management in accordance with the defined standards and principles.

## Rationale

Jaymart Group Holdings Public Company Limited and its joint ventures and subsidiaries (the “Jaymart Group”) are committed to maintaining strong internal control and internal audit systems. The Group has adopted the principles of internal control based on the COSO Internal Control – Integrated Framework (COSO: The Committee of Sponsoring Organizations of the Treadway Commission), which is an internationally recognized standard framework. This framework serves as the foundation for the Group’s internal control and internal audit practices. The audit process emphasizes a risk-based audit approach and considers the

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components of internal control, including the analysis, enhancement, and evaluation of the internal control system.

## Definitions

<b>COSO</b>	Refers to a control framework designed to help personnel achieve objectives in areas such as operational efficiency and effectiveness, the accuracy and completeness of reporting, and compliance with established regulations.
<b>Checks and Balances</b>	Refers to the distribution and balancing of power, or a mechanism to address issues based on the concept of having multiple committees whose responsibilities counterbalance one another.
<b>Risk</b>	Refers to the possibility of errors, damages, leaks, losses, or undesirable events or actions that may occur under uncertain conditions. These events could happen in the future and may impact or prevent the organization from successfully achieving its objectives and goals in terms of strategy, operations, finance, and management.
<b>Risk Management</b>	Refers to the systematic and continuous organizational process designed to help reduce the causes of potential damage, ensuring that the level and extent of such damage in the future remain within acceptable, measurable, controllable, and auditable limits. This process prioritizes achieving the organization's objectives and goals.
<b>Risk Assessment</b>	Refers to the process of identifying risks, analyzing risks, and prioritizing risks by assessing their likelihood and impact.

## Guidelines for Implementing the Internal Control and Internal Audit Policy

The Jaymart Group recognizes internal control and internal audit as fundamental elements for successful business operations and sustainable growth. Therefore, the Group has established effective, adequate, and appropriate internal control and internal audit systems that are suitable to the nature, size of work, and business environment. This ensures that all units within the Company, joint ventures, and subsidiaries

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comply with relevant rules, regulations, and policies; produce reliable, accurate, complete, and timely reports; and operate efficiently and effectively. The Company places greater emphasis on preventing losses and damages and on corrective improvements rather than on investigations after incidents occur.

The Company appoints internal auditors who are independent and report directly to the Audit Committee to assist the Audit Committee and the Board of Directors in gaining confidence that the Company's operations are conducted effectively according to established guidelines and that adequate and appropriate controls are in place to prevent errors or potential fraud.


To ensure comprehensive internal control and internal audit coverage, the Company adheres to the COSO Internal Control – Integrated Framework (COSO: The Committee of Sponsoring Organizations of the Treadway Commission), which consists of five key components as follows:

## 1. Control Environment

- 1.1. Organizing the company structure by clearly defining the chain of command and segregating duties and responsibilities, along with implementing checks and balances.
- 1.2. Establishing clear strategies, objectives, directions, and business plans of the company, as well as ensuring corporate governance is conducted in line with the set goals.
- 1.3. Developing clear policies, regulations, and rules of the company to serve as principles and guidelines for operations, preventing losses or neglect in performance.
- 1.4. Creating codes of conduct and business ethics for the company and its employees, so that executives, employees at all levels, and relevant parties can properly and appropriately adhere to them.
- 1.5. Preparing job descriptions to clarify roles, duties, and responsibilities.
- 1.6. Conducting training to develop personnel's knowledge, skills, abilities, and experience in risk management and control.

## 2. Risk Assessment

The Company places great importance on risk, which refers to uncertain and undesirable events. In the event that such damaging incidents occur, the Company requires every department to assess the inherent risks in their operations and management. This is to control risks at an acceptable level by continuously and regularly evaluating and reporting risk management activities.

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In Jaymart Group’s internal audit, a risk-based audit approach is emphasized by assessing the risks associated with tasks and selecting high-risk areas for audit planning. This approach helps enhance the effectiveness of the audit process.

### 3. Control Activities

The Company assigns department managers the responsibility to establish control activities within their areas of responsibility that are effective, efficient, adequate, and appropriate in a preventive, corrective, and improvement manner to prevent deficiencies. These controls help reduce potential losses and errors and enable the achievement of internal control objectives. Examples include the provision of policies, plans, budgets, procedures and work methods, as well as organizational structure, segregation of duties, delegation of approval authority, and so forth.

The internal auditors are responsible for reviewing the adequacy and appropriateness of operational processes, control activities, and evaluation results.

#### Information and Communication


3.1. The Company has established a data security system, recognizing data as a critical company asset.

3.2. The Company ensures that information is used with caution, requiring it to be accurate, clear, understandable, and up to date.

3.3. The Company facilitates communication between management and employees, as well as among departments, to promote understanding and coordination of work, including holding regular staff meetings.


### 4. Monitoring Activities

The Company ensures regular and continuous monitoring, review, and evaluation of internal controls by independent assessors who have no involvement with the respective tasks or departments, such as internal auditors. The results are reported to the Audit Committee and the Company’s management. If any weaknesses in the control system are identified, it is the responsibility of management to systematically and continuously determine appropriate control measures and corrective actions.

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This Internal Control and Internal Audit Policy is part of the vision of Jaymart Group Holdings Public Company Limited and its joint ventures and subsidiaries (the “Jaymart Group”). Therefore, it is the responsibility of all management and employees at every level to act as good role models, making this policy tangible and ingrained as part of the organizational culture. Each company is required to communicate and adapt this policy appropriately to suit their business operations.

The policy shall be effective from December 8, 2023 onwards.



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The approver of the Internal Control and Internal Audit Policy

Mr. Pisnu Pong-Acha  
Chairman of the Board of Directors

