Market Consultation

Revision Rules to Strengthen Gatekeeper Mechanisms, Issuer Duties and Empower Shareholders' Rights

Feedback Deadline: August 7, 2026

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Executive Summary

The Stock Exchange of Thailand ("SET") is guided by the strategic vision of "The Trusted Gateway to Inclusive Opportunities", with a focus on "Build Trust and Confidence" through effective supervision and transparent disclosure. Following a comprehensive review of ongoing obligations and disclosure criteria for listed companies, as well as investor protection mechanisms, SET has determined that existing standards remain broadly appropriate and align with international practice. Nonetheless, further enhancements would help strengthen the Gatekeeper mechanism and reinforce investor confidence. SET therefore proposes to enhance its supervisory standards in four key areas as follows:

1. Enhancing the Role of Internal Auditors: aligning the qualification requirements for internal auditors of listed companies with the relevant criteria set by the Office of the Securities and Exchange Commission ("SEC"), currently under public consultation pursuant to the Consultation Paper No. 38/2569 on 'Enhancement of Criteria to Strengthen and Promote the Role of Internal Auditors'[1].

2. Reviewing Measures for Non-Compliance: to encourage listed companies to expedite remedial action within clearer timeframes, by refining the timeframe for rectifying non-compliance with key requirements to be more appropriate and clearly defined, including cases involving an insufficient number of independent directors or audit committee members, non-compliance with prescribed criteria, and failure to disclose material information.

3. Enhancing Information Disclosure: to promote transparency and ensure investors have adequate information for making investment decisions, SET proposes that listed companies provide the following additional disclosures:

- Preventive Measures: To prevent a recurrence of such non-compliance with disclosure requirements.
- Annual Continued Listing Qualifications Assessment Form: Annual disclosure of the listed company's ongoing qualification assessment, including corrective action plans for any areas of non-compliance, to enable investors to monitor the company's overall compliance status.

4. Promoting the Exercise of Shareholders' Rights: providing an additional channel for shareholders to exercise their rights via electronic proxy voting (e-Proxy Voting). Furthermore, listed

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[1] Qualifications for the Head of Internal Audit of companies filing for an initial public offering ("IPO companies") and listed companies offering newly issued shares to the general public ("SPO companies"):

- Qualification Requirements: The Head of Internal Audit must hold a recognized professional certification (e.g., CIA, IAP, CPIAT) and possess a total of at least five years of work experience, of which at least three years must be directly related to internal auditing.
- Disclosure Requirements: Disclosure of information regarding the Head of Internal Audit is required in the registration statement (Form 69-1) and/or the annual registration statement/annual report (Form 56-1 One Report).

Further details are available in the consultation paper regarding the Revision of Regulations to Enhance and Promote the Function of Internal Auditors: https://www.sec.or.th/Documents/PHS/Main/1186/hearing382569.pdf companies are required to deliver meetings invitations and supporting documents in electronic format, provided that shareholders retain the right to request physical copies of such documents.

For other types of listed securities, these revised regulations will be applied to the extent appropriate to the characteristics of each security type, taking into account investor protection alongside avoiding undue burden on issuers. This approach aims to ensure consistent standards of regulatory oversight.

The SET invites stakeholders to provide feedback on the proposed amendments. Please submit your comments and suggestions by August 7, 2026 through this channel:

For further inquiries, please contact the Market Supervision Policy Department via Tel: 02-009-9805, 9809, 9733 or Email: MarketSupervisionPolicyDepartment@set.or.th

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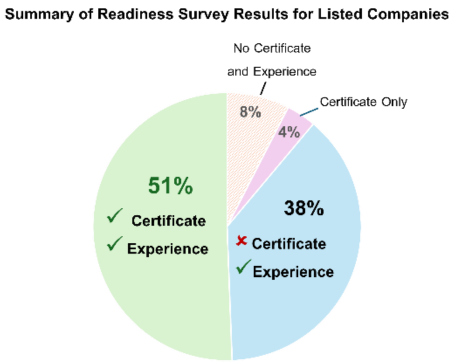
Proposed Amendments

1. Enhancing the Role of Internal Auditors

In line with the Securities and Exchange Commission ("SEC") plan to enhance the quality of capital market personnel, which includes establishing qualification requirements for internal auditors ("IA")—both in-house IA and outsourced IA—applicable to IPO and SPO companies, including foreign companies offering shares to investors in Thailand, as detailed in the SEC's Consultation Paper No. 38/2569 regarding *the Revision of Regulations to Enhance and Promote the Role of Internal Auditors.* The key points are summarized as follows:

Applicable Personnel:	➢ In-house IA: A person appointed by the company to hold highest responsibility for the internal audit function, or an equivalent position. ➢ Outsourced IA: A person appointed by the outsourced IA firm as the lead supervisor of the engagement, who signs the internal control/internal audit report or an equivalent report.
Certificates	A person must hold at least one of the certificates prescribed by the SEC, which must be active as of the date of the IPO or SPO application submission to the SEC, namely: ● Certified Internal Auditor (CIA) ● Internal Audit Practitioner (IAP) ● Certified Professional Internal Audit of Thailand (CPIAT) ● Professional Internal Auditor Certificate (PIAC) ● Other certificates that the SEC may additionally prescribe on the SEC website.
Work Experience	A person must have a minimum of five years of total work experience, of which at least three years must be related to internal auditing, as verified by the Audit Committee.
Disclosure Requirements	Information regarding the internal auditor must be disclosed in the registration statement for securities offering (Form 69-1) and/or the annual registration statement/annual report (Form 56-1 One Report), with the Audit Committee's opinion that the internal auditor meets the prescribed qualifications.
Expected Effective Date	From January 1, 2028 onward.

To ensure that SET establishes appropriate regulations that duly consider the benefits and potential impacts on existing listed companies, a readiness survey was conducted. Of the 504 listed companies that responded, 51 percent already have internal auditors who fully meet the prescribed qualifications, while the remaining 49 percent largely possess the required work experience but currently lack the relevant certifications or qualifications.



Consultation Issue 1.1: Qualifications of Internal Auditors (Listing and Continuing Obligations Requirements)

To ensure listed companies maintain high-quality internal audit functions consistently after listing, and to align SEC and SET regulations—thereby preventing operational confusion and avoiding undue burden on incumbent personnel—SET proposes to prescribe qualification requirements for internal auditors covering both new listings and continuing obligations in line with the SEC's regulations, with the proposed implementation timeline as follows:

1. **New listing applicants on SET or mai:** The new listing and continued listing requirements shall become effective concurrently with the SEC's regulations, starting from January 1, 2028.
2. **Existing listed companies:** The requirements shall become effective from January 1, 2029 (one year after the effective date of the SEC's regulations).

Internal auditors currently serving listed companies will be exempted from the minimum work experience requirement until a change in the internal auditor occurs. However, they must hold at least one of the certificates prescribed by the SEC; those who do not currently hold such a certificate must obtain one before the effective date. Any appointment of a new internal auditor must fully satisfy both professional certificate and work experience requirements prescribed by the SEC.

Consultation Issue 1.2: Disclosure to Investors

As internal auditors are key personnel responsible for auditing and assessing the adequacy of a company's internal control systems, SET proposes that listed companies provide the following disclosures to keep investors informed of the internal auditor's qualification status:

1. Change of Internal Auditor: Any change (resignation or new appointment) must be disclosed within three business days, consistent with the disclosure requirements for changes in directors, the chief finance officer (CFO), and the accounting supervisor.
2. Annual Continued Listing Qualifications Assessment: Disclosure must be included in the Annual Continued Listing Qualifications Assessment form, as detailed in Consultation Issue 3.2.

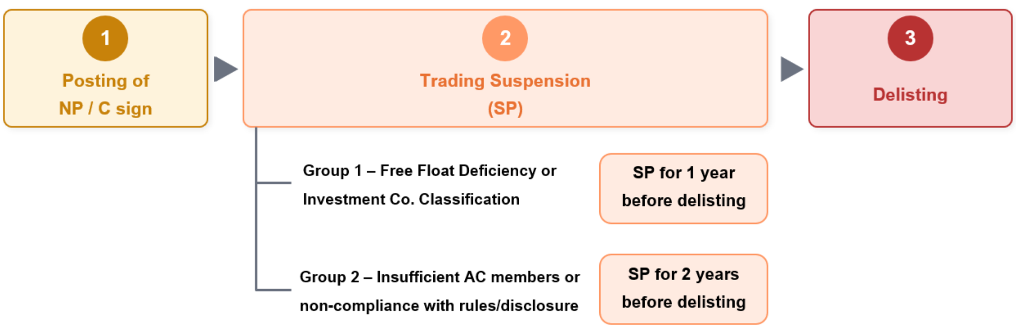
Summary of Expected Effective Dates

		New listing applicants on SET or mai	Existing listed companies
Qualification	Certificate related to Internal Auditing	From Jan 1, 2028	From Jan 1, 2029
	Minimum work experience	From Jan 1, 2028	From Jan 1, 2029 (exempted for persons currently serving at listed companies)
Disclosure	Registration statement for securities offering (Form 69-1) as prescribed by the SEC	From Jan 1, 2028	-
	Form 56-1 One Report as prescribed by the SEC	Fiscal year beginning Jan 1, 2028	Fiscal year beginning Jan 1, 2028
	Change of internal auditor within 3 business days	From Jan 1, 2028	From Jan 1, 2029
	Internal auditor information in the Annual Continued Listing Qualifications Assessment	Fiscal year beginning Jan 1, 2028	Fiscal year beginning Jan 1, 2029

2. Reviewing Measures for Non-Compliance

Currently, SET applies a range of measures to listed companies that fail to comply with continuing obligations requirements and disclosure criteria, depending on the level of impact on investors and the market, as shown in the diagram below.

Summary of Current Measures *Taken into account the level of impact on investors and the market*



However, certain aspects of these measures may not be aligned with the current situation. SET therefore considers it appropriate to revise such measures in order to encourage listed companies to resolve non-compliance issues in a more timely manner, and to enhance investor confidence in the supervisory process through a more streamlined and clearly defined timeframe.

Consultation Issue 2.1: Suspension (SP) Period Prior to Potential Delisting

As shown in the diagram above, remediation periods for listed companies under an SP sign vary by group. Group 2 criteria —covering cases where an insufficient number of audit committee (AC) members, non-compliance with the listing rules, or failure to disclose material information affecting investors or trading — currently allows for a longer remediation period than Group 1, despite being no less significant. The remediation periods for both groups should therefore be aligned.

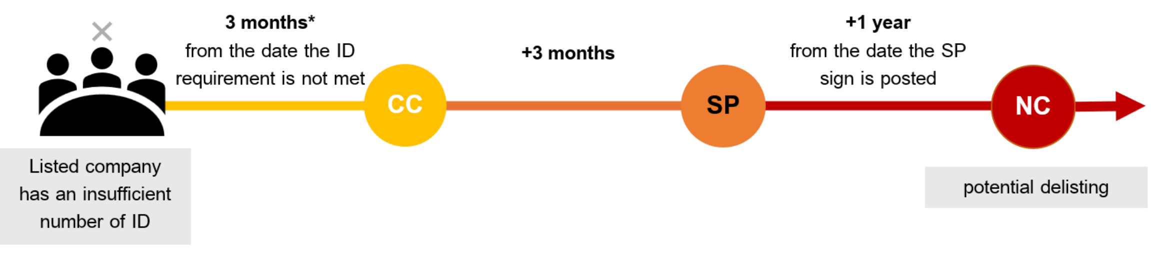
SET proposes to shorten the remediation period under the SP sign for Group 2 from 2 years to 1 year, to encourage listed companies to expedite remedial action in order to to comply with the prescribed criteria.

The SP period for other types of securities issuers, such as real estate investment trusts, property funds, and infrastructure funds (collectively, "trusts and funds") will also be revised in line with that for listed companies.

Consultation Issue 2.2: Measures for Insufficient Number of Independent Directors (ID)

SET requires listed companies to have independent directors—free from influence by management and major shareholders—accounting for at least one-third of the total number of directors and no fewer than 3 directors. This is to ensure checks and balances in board's decision-making, promote transparent management, and safeguard the overall interests of shareholders.

Since IDs play an important role in preventing any single group from having undue influence over board decisions, and in protecting the rights and interests of minority shareholders, SET considers it appropriate to strengthen the measures applicable when a listed company has an insufficient number of IDs, using the same approach as applied to an insufficient number of AC members in order to encourage listed companies to promptly nominate and appoint IDs in compliance with the criteria, as follows:



*In cases of necessity and where appropriate, e.g., pending approval from relevant authorities or undergoing restructuring of major shareholders, SET may grant a waiver extending the timeframe for appointing an ID by up to an additional 6 months.

3. Enhancing Information Disclosure by Listed Companies

Listed companies are required to fully comply with the applicable criteria throughout the period they remain listed with SET — both in terms of accurate, complete, and timely disclosure, and in maintaining continued listing qualifications, such as a free float of 15% and 150 persons, having at least 3 AC members, and having an internal auditor who meets the prescribed qualifications. This ensures investors have sufficient information for investment decision-making and retain confidence in the quality of listed companies, which are core principles of a transparent and fair market. However, investors may currently lack information to help them monitor listed companies' compliance.

Accordingly, to provide investors with complete and comprehensive information for monitoring listed companies' compliance with (1) disclosure quality and (2) continuing obligations, while encouraging listed companies to place greater importance on both matters, SET proposes that listed companies disclose additional information.

Consultation Issue 3.1: Disclosure of Preventive Measures for Non-Compliance with Disclosure Requirements

Where a listed company or securities issuer fails to comply with the disclosure requirements, it shall disclose to investors the preventive measures it will implement to prevent a recurrence of such non-compliance.

Consultation Issue 3.2: Disclosure of the Annual Continued Listing Qualifications Assessment Form and Remedial Actions

Currently, information relating to a listed company's compliance with the continued listing qualifications is scattered across various reports, such as event-based information disclosure, financial statements, and Form 56-1 One Report. This may result in the board of directors and investors lacking a clear, consolidated view of the company's overall compliance status. Accordingly, to enable the board of directors and investors to monitor overall compliance status, SET proposes that listed companies disclose their compliance status annually in the Annual Continued Listing Qualifications Assessment Form set out in the table below, to be certified by the board of directors.

<table>
<tr><td rowspan="2">Reporting Format</td><td>A checklist of the listed company's compliance, in the format specified by SET. In case of non-compliance, the remedial measure must be clearly specified. For example:</td></tr>
<tr><td>
<table>
<tr><th>Continued Listing Qualifications</th><th>Compliant (✓ / ✗)</th><th>Remedial Measure for Non-Compliance
(if Not Compliant)</th></tr>
<tr><td>1. Free float of 15% + 150 persons</td><td>✗</td><td>- Corrective Action: [description]
- Expected Completion Timeframe: [timeframe]</td></tr>
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<tr><td></td><td><table>
<tr><td></td><td></td><td></td></tr>
<tr><td>2. At least 3 audit committee members</td><td>✓</td><td>-</td></tr>
<tr><td>3. Internal auditor meets the prescribed qualifications</td><td>✓</td><td>-</td></tr>
<tr><td>4. ...</td><td></td><td>...</td></tr>
</table></td></tr>
<tr><td>Submission and Publication</td><td>Submitted via SET’s electronic system for subsequent publication to investors</td></tr>
<tr><td>Submission Period</td><td>Annually, within the same due date as the submission of Form 56-1 One Report</td></tr>
<tr><td>Measures for Non-Submission Within the Prescribed Period</td><td>CC sign for 3 months ⟶ SP for 1 year ⟶ Delisting</td></tr>
<tr><td>Effective Date</td><td>Expected to commence within the same due date as the Form 56-1 One Report for fiscal year 2026 (to be submitted in early 2027)</td></tr>
</table>

4. Empowering the Exercise of Shareholders' Rights at Shareholders' Meetings

In the current digital era, digital technology facilitates how businesses operate and communicate, creating new opportunities to enhance shareholder engagement. SET is committed to encouraging listed companies to integrate ESG principles into their operations, particularly by reducing environmental impact through a paperless policy, aspart of SET's strategic plan toward Net Zero and in support of the government's low-carbon economy policy.

Consultation Issue 4.1: Promoting the Use of the e-Proxy Voting System

Under Section 102 of the Public Limited Companies Act B.E. 2535 (1992), and the Notification of the Director-General of the Department of Business Development Re: Appointment of Proxy for Shareholders' Meetings via Electronic Means B.E. 2565 (2022), shareholders may appoint a proxy to attend and vote on their behalf by electronic means, providing an additional channels for exercising proxy rights. Thailand Securities Depository Co., Ltd. (TSD) has developed a supporting system for this purpose (the "e-Proxy Voting System"), offering a convenient, efficient and reliable channel for receiving proxy information from shareholders. Currently, more than 300 listed companies use the e-Proxy Voting System.

To maintain and promote equal exercise of voting rights among shareholders, SET proposes that listed companies and securities issuers be required to provide investors with the option to grant proxy electronically through the e-Proxy Voting System, a standardized, reliable, and transparent system.

Consultation Issue 4.2: Electronic Delivery of the Notice of Shareholders' Meeting and Supporting Meeting Documents

Currently, TSD, as securities registrar, supports listed companies in delivering notices of shareholders' meetings and supporting meeting documents — such as the annual report, financial statements, or other attachments — in electronic form or via QR code, in place of paper (hard copy) delivery. This enables shareholders to access information conveniently, while helping listed companies reduce operating costs, improve efficiency, and significantly reduce paper consumption. To date, 78% of listed companies have adopted this method.

To support the paperless policy, SET proposes that all listed companies and securities issuers adopt electronic delivery of the notices of shareholders' meetings and supporting documents via QR code, as prescribed by TSD, as the primary method, in place of paper delivery. However, to ensure that all groups of shareholders can access information on an equal basis, shareholders may request that the listed company or securities issuer deliver the supporting meeting documents in paper form.

5. Extending the Principles under Sections 1–4 to Other Types of Listed Securities

To ensure consistent supervisory standards for other types of listed securities e.g., trusts and mutual funds, ETFs, derivative warrants, and depositary receipts, SET will also apply the principles proposed under Sections 1–4 above, only to the extent appropriate to the nature of operations of each security type, taking into consideration investor protection alongside the avoidance of undue burden on issuers. A summary is set out in the table below.

Summary of Proposed Amendments	Listed Companies	Other Listed Securities
1. Qualification and Disclosure Requirements for Internal Auditors	Applicable	✗ Not applicable
2. Measures for Non-Compliance		
2.1 Shortening the SP period to 1 year prior to delisting	Applicable	○ Applicable to trusts and funds
2.2 Measures for insufficient number of IDs	Applicable	✗ Not applicable
3. Enhanced Disclosure Requirements		
3.1 Disclosure of preventive measures to avoid recurrence of non-compliance	Applicable	✓ Applicable to all securities
3.2 Annual Continued Listing Qualifications Assessment Form and remedial measures	Applicable	✗ Not applicable
4. Promoting the Exercise of Shareholders' Rights		
4.1 Option for securities holders to use the e-Proxy Voting System	Applicable	✓ Applicable to all securities
4.2 Electronic delivery of meeting documents via QR Code as prescribed by TSD, as the primary channel	Applicable	✓ Applicable to all securities

Questionnaire

You can respond by completing the questionnaire which can be accessed via the link https://forms.gle/ScxN4V1iiy7uzxzS6 or complete and submit this form to MarketSupervisionPolicyDepartment@set.or.th

1. **General Information**

Name-Surname ....

Company name .... (Symbol ....)

Position ....

Telephone number ....

E-mail address ....

Category of the respondent (You may choose more than one.)

- ☐ Listed Company
- ☐ Securities Firms / Financial Advisors
- ☐ Legal Advisor
- ☐ Individual Investor
- ☐ Institutional Investor / Asset Management Companies
- ☐ Other (Please specify) ....

2. **Request for Comment** (If you agree but the details are otherwise, or disagree, please provide your reasons.)

Question 1: Enhancing the Role of Internal Auditors

1.1 Do you agree with establishing qualification requirements for <u>the internal auditor (the person appointed to hold the highest responsibility for the internal audit function, or the lead supervisor of the engagement who signs the internal control audit report) of a new listing applicant on SET or mai</u>, in line with the SEC's criteria?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
<u>Other suggestions:</u>	

1.2 Do you agree with requiring the internal auditor of an existing listed company — covering Thai companies and foreign companies with shares that are, or will be, traded on the exchange, including Primary Listing, and Secondary Listing/Dual Listing from Unrecognized Countries) — to hold a certificate related to internal auditing, as prescribed by the SEC, while exempting the minimum work experience requirement until the internal auditor is changed?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

1.3 Do you agree with requiring listed companies to disclose any change of internal auditor (resignation or new appointment) within 3 business days from the date of the event?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

1.4 Do you agree with the proposal that, for new listing applicants on SET or mai, the criteria will take effect concurrently with the SEC's notification, expected from January 1, 2028?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

1.5 Do you agree with the proposal that, for existing listed companies, the criteria will take effect 1 year after the SEC's notification, expected from January 1, 2029?

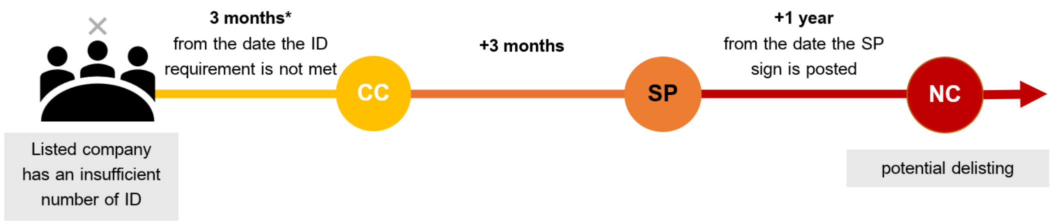
☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

Question 2: Reviewing Measures for Non-Compliance

2.1 Do you agree with shortening the trading suspension (SP) period prior to delisting to 1 year in all cases?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

2.2 Do you agree with strengthening the measures for an insufficient number of independent directors (ID), using the same approach as for an insufficient number of AC members, in order to encourage listed companies to promptly nominate and appoint IDs in compliance with the criteria?



*In cases of necessity and where appropriate, e.g., pending approval from relevant authorities or undergoing restructuring of major shareholders, SET may grant a waiver extending the timeframe for appointing an ID by up to an additional 6 months.

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)

Other suggestions:

Question 3: Enhancing Information Disclosure

3.1 Do you agree with requiring listed companies that fail to comply with the disclosure requirements to disclose the preventive measures they will implement to avoid a recurrence of such non-compliance, so that investors are informed accordingly?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

3.2 Do you agree with requiring listed companies to disclose, on an annual basis, the Annual Continued Listing Qualifications Assessment, certified by the board of directors and prepared in the format prescribed by SET, together with the relevant remedial measures, and non-submission within the specified period will result in enforcement measures: a CC sign for 3 months ⟶ SP sign for 1 year ⟶ Delisting?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

3.3 Do you agree with requiring the disclosure of the Annual Continued Listing Qualifications Assessment Form to take effect within the same due date as the submission of the 2026 One Report (to be submitted in early 2027)?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

Question 4: Empowering the Exercise of Shareholders' Rights at Shareholders' Meetings

4.1 Do you agree with requiring all listed companies to provide investors with the option to grant proxy electronically through the e-Proxy Voting System, a standardized, reliable, and transparent system?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

4.2 Do you agree with the proposal that all listed companies use electronic delivery of notices of shareholders' meetings and supporting documents via QR Code, as prescribed by TSD, as the primary method?

☐ Agree	

☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

Question 5: Extending the Principles under Sections 1–4 to Other Types of Listed Securities

SET proposed to apply the revised principles under Sections 1–4 above to revise the criteria for other types of listed securities, only to the extent appropriate to the nature of operations of each security type.

5.1 Do you agree with shortening SP period — from 2 years to 1 year prior to delisting for violations, non-compliance with the rules, or failure to disclose material information — to trusts, property funds and infrastructure funds ("trusts and funds")?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

5.2 Do you agree with applying the requirement to disclose preventive measures — where an issuer fails to comply with the disclosure requirements, to prevent a recurrence — to all types of listed securities, such as trusts and funds, ETFs, derivative warrants (DWs), and depositary receipts (DRs)?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)

Other suggestions:

5.3 Do you agree with applying the measures to promote shareholders' rights— including (1) providing securityholders with the option to grant proxy electronically through the e-Proxy Voting System, and (2) adopting electronic delivery of meeting documents via QR code, as prescribed by TSD, as the primary method — to all types of listed securities, such as trusts and funds, ETFs, DWs, and DRs?

☐ Agree	
☐ Agree, but the details are otherwise.	(Please explain your reasoning)
☐ Disagree	(Please explain your reasoning)
Other suggestions:	

Other suggestions

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Please submit your comments and suggestions by August 7, 2026. SET will process your personal information for the purpose of Market Consultation, our policy on protection of personal data is set out in the Privacy Notice accessible via this link https://www.set.or.th/th/privacy-notice

SET would like to thank you for your comments and suggestions on this occasion.