

This Audit Committee Charter was approved by the Board of Directors at Meeting No.  
..... on ..... and is effective from .....

.....  
Air Chief Marshal, Pongsatorn Buasup  
Chairman of the Board  
Tipco Foods Public Company Limited

**Tipco Foods Company Limited and Subsidiaries**  
**Audit Committee Charter**

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# **Tipco Foods Company Limited and Subsidiaries**

## **Audit Committee Charter**

### **Objectives**

The Audit Committee Charter is established to guide the Audit Committee in promoting good corporate governance. It outlines the composition, roles, responsibilities, and various requirements to enhance operational efficiency and add value to the organization.

### **Composition of the Audit Committee**

1. The Audit Committee members must be independent directors.
2. The Audit Committee must be appointed by the company's Board of Directors.
3. The Audit Committee must consist of at least three (3) independent directors, including one Chairperson and at least two other members. At least one member must have sufficient knowledge and experience in accounting and/or finance to review the reliability of financial reports.
4. The Audit Committee appoints a suitable company officer as the secretary.

### **Qualifications of the Audit Committee**

5. Must hold no more than 0.75% of the total voting shares of the company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, including shares held by related persons of the independent director.
6. Must not be or have been involved in management, employment, or consultancy roles with the company, its parent company, subsidiaries, associates, or major shareholders, unless they independent director. This does not apply to former government officials or advisors of government agencies that are major shareholders or controlling persons of the company.
7. Must not have any blood or legal relationship, such as being a father, mother, spouse, sibling, or child, including the spouse of a child, with other directors, executives, major shareholders, controlling persons, or individuals proposed to be directors, executives, or controlling persons of the company or its subsidiaries.
8. Must not have or have had any business relationship with the company, its parent company, subsidiaries, associates, major shareholders, or controlling persons that could interfere with independent judgment. This includes not being a significant shareholder or controlling person of entity with business relationships with the company, unless such relationships ceased at least two (2) years before their appointment as an independent director.  
Business relationships include regular commercial transactions, property leases, asset or service transactions, or financial assistance such as loans or guarantees,

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where the debt obligations exceed 3% of the company's net tangible assets or 20 million baht, whichever is lower. Debt calculations should follow the Capital Market Supervisory Board's guidelines on related-party transactions and include debts incurred within one (1) year before the business relationship.

9. Must not be or have been an auditor of the company, its parent company, subsidiaries, associates, major shareholders, or controlling persons, and must not be a significant shareholder, controlling person, or partner of the audit firm associated with the company's auditor, unless such relationships ceased at least two years before their appointment.
10. Must not be or have been a provider of any professional services, including legal or financial advisory services, receiving fees exceeding 2 million baht per year from the company, its parent company, subsidiaries, associates, major shareholders, or controlling persons. Additionally, must not be a significant shareholder, controlling person, or partner of such professional service providers, both currently and for at least two years before their appointment as an independent director.
11. Must not be appointed as a representative of the company's directors, major shareholders, or shareholders related to major shareholders.
12. Must not engage in businesses with similar conditions and significant competition with the company or its subsidiaries, nor be a significant partner, executive, employee, or advisor with a regular salary, or hold more than 1% of the voting shares of other companies with similar businesses and significant competition with the company or its subsidiaries.
13. Must be able to perform duties, express opinions, and report on activities independently, without being under the control of the management or major shareholders of the company, including related-person or close relatives of such individuals.
14. Must not have any other characteristics that would impair their ability to provide independent opinions on the company's operations.

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

15. Review the company's and its subsidiaries' processes for preparing and disclosing financial information in accordance with accounting standards and/or relevant laws to ensure the accuracy, completeness, adequacy, reliability, and timeliness of financial reports.
16. Consider related party transactions or transactions that may have conflicts of interest to ensure compliance with laws and the regulations of the Stock Exchange

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of Thailand, ensuring that such transactions are reasonable and in the best interest of the company, including accurate and complete disclosure of information.

17. Review and provide recommendations to ensure the company has appropriate and effective internal control systems, risk management, and internal audit processes in accordance with international standards. This includes reviewing with auditors and internal auditors to ensure compliance with regulations and laws, ensuring adequate controls to mitigate potential corruption risks.
18. Consider the independence of the internal audit function and approve the appointment, transfer, or dismissal of the head of internal audit or any other unit responsible for internal audits or approve the hiring of external internal auditors.
19. Review and approve the annual internal audit plan to align with the company's risk profile and consider the remuneration.
20. Review audit results and recommendations from auditors and internal audit units regarding internal control, risk management, and governance, and propose improvements to management, including following up on the implementation of recommendations.
21. Consider selecting, and propose the appointment of the company's auditor, including evaluating the appropriateness of the remuneration, independence, performance, and experience of the auditor, for approval by the Board of Directors and subsequent approval by the shareholders' meeting.
22. Review the company's compliance with securities and exchange laws, Stock Exchange regulations, or laws related to the company's business.
23. Oversee the company's whistleblowing process and the handling of complaints from employees and external parties.
24. Prepare the Audit Committee's report as required by the Stock Exchange of Thailand, signed by the Chairperson of the Audit Committee, and disclose it in the company's annual report.
25. Engage external advisors or professional experts to provide advice, consultation, or opinions as deemed appropriate by the Audit Committee.
26. Perform any other duties assigned by the company's Board of Directors with the Audit Committee's approval.

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### **Appointment, Term, and Removal**

27. The company's Board of Directors appoints the Audit Committee, and all members must be company directors.
28. The term of each Audit Committee member aligns with their term as a company director, which is three (3) years per term.
29. Audit Committee members may be reappointed as deemed appropriate by the Board of Directors.
30. Audit Committee members will be removed from their position when:
- 31.1 They cease to be company directors.
  - 31.2 Their term expires.
  - 31.3 They passed away.
  - 31.4 They resign.
  - 31.5 The Board of Directors resolves to remove them.
  - 31.6 They no longer meet the qualifications of an Audit Committee member as per the Audit Committee Charter or the regulations set by the Capital Market Supervisory Board, the Stock Exchange of Thailand, and other regulatory bodies.
31. If an Audit Committee member's term expires or they are unable to complete their term, resulting in fewer than three members, the Board of Directors or shareholders' meeting must appoint a new member immediately or within three months to ensure continuity and compliance with the Stock Exchange's requirements. The new member will serve only the remaining term of the outgoing member.
32. Audit Committee members can serve consecutive terms for up to nine (9) years.

### **Meetings and Voting**

33. The Audit Committee must meet at least once per quarter, with members attending in person, and the Chairperson presiding over the meeting.
34. In each meeting, the Chairman of the Audit Committee or a person assigned may determine that the meeting be conducted via electronic media as necessary and appropriate, with appropriate information security processes in place and with audio or both audio and video recordings, as the case may be, of all Audit Committee members at the meeting throughout the duration of the meeting.

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35. Each meeting requires the attendance of at least half of the Audit Committee members to form a quorum.

36. If the Chairperson is unable to attend or perform their duties, the Audit Committee members will select one member to preside over the meeting.

37. Decisions of the Audit Committee are made by majority vote, with each member having one vote. Members with conflicts of interest in any matter do not have voting rights on that matter. In case of a tie, the Chairperson has an additional casting vote.

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38. Regular meetings with management, internal auditors, or external auditors must be held at least once a year.

39. Meeting notices must be sent at least seven (7) days in advance, except in urgent cases where other methods or shorter notice periods may be used. The Audit Committee secretary records the meeting minutes.

### **Reporting**

40. Reporting to Shareholders and General Investors

40.1. The Audit Committee must prepare a report on its activities during the year, as assigned by the Board of Directors, signed by the Chairperson, and disclosed in the company's annual report.

41. Report to the Board of Directors

41.1. Regular reports on activities, including meeting minutes, opinions on financial reports, internal audits, or other reports deemed necessary for the Board of Directors' awareness.

41.2. Immediate reporting of any findings requiring timely resolution by the Board of Directors, such as conflicts of interest, suspected fraud, significant deficiencies in internal control, or violations of laws or Stock Exchange regulations.

### **Remuneration**

42. The Nomination and Remuneration Committee determines the remuneration, which is then considered by the Board of Directors and approved by the shareholders' meeting.

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### **Performance Evaluation**

- 43. The Audit Committee must evaluate its performance through self-assessment and report the results, including any obstacles preventing the achievement of objectives, to the Board of Directors annually.
- 44. The Audit Committee should receive regular training and knowledge enhancement related to its duties.

### **Charter Review**

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- 45. The Audit Committee will review and assess the adequacy and appropriateness of the Audit Committee Charter annually and propose it to the Board of Directors for approval.