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# Charter of the Audit Committee

The Audit Committee is an independent committee established to support the Board of Directors in overseeing and reviewing the Company's management, internal control, auditing, and corporate governance processes, including the preparation of financial reports. The goal is to ensure the Company's operations and disclosures are transparent and reliable.

## 1. Purpose

Taokaenoi Food & Marketing Public Company Limited (the "**Company**") recognizes the importance of developing an internal audit system within the organization. This system serves as a key management tool within the group and is based on the principles of Good Corporate Governance. It is aligned with the Company's vision, mission, and objectives and follows international auditing standards under the COSO Enterprise Risk Management Framework (COSO ERM). The Company also promotes and supports audits across the organization to ensure efficient and effective achievement of its goals and objectives. This Charter of the Audit Committee has been prepared to define the qualifications, scope, duties, and responsibilities of the Audit Committee in supporting the Board of Directors in its oversight of organizational operations, internal control, risk management, and internal auditing. It also covers the preparation of financial reports in accordance with accounting policies and applicable laws, as well as the prevention of conflicts of interest.

## 2. Composition of the Audit Committee

The Audit Committee is appointed by the Board of Directors based on the nominations proposed by the Nomination and Remuneration Committee. The Audit Committee shall consist of at least three independent directors of the Company who possess appropriate knowledge, skills, and experience, and can dedicate sufficient time to perform their duties. At least one member must have knowledge, understanding, or experience in accounting and finance. The Audit Committee shall also receive continuous updates to enhance its knowledge regarding the Committee's responsibilities and the Company's operations.

The Audit Committee shall elect one member as the Chairman of the Audit Committee. The candidate for this position must be carefully considered, as the Chairman plays a key role in ensuring the overall effectiveness of the Audit Committee. The Audit Committee shall also appoint a secretary to the Audit Committee or assign a person to perform such duties.

The Audit Committee may appoint a secretary to the Audit Committee, who may be a committee member or another person deemed appropriate by the Audit Committee. The secretary shall assist with the Committee's duties, including arranging meetings, preparing meeting agendas, distributing meeting documents, and recording the minutes of the meetings.

## 3. Qualifications of Audit Committee Members

Audit Committee members must meet the following qualifications:

(1) Must be an independent director and possess the qualifications specified under the Securities and Exchange Act and relevant notifications, regulations, and/or rules issued by the Securities and Exchange Commission (SEC), the Capital Market Supervisory Board, and the Stock Exchange of Thailand. These qualifications include, but are not limited to, the following:

1) Holding no more than 1% of the total voting shares in the Company, its parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the Company. This includes shares held by persons related to the independent director.

2) Must not be, nor ever have been, involved in management as a director, employee, staff member, salaried advisor, or controlling person of the Company, its parent company, subsidiaries, affiliates, entities in the same tier of subsidiaries, major shareholders, or controlling persons of the Company, unless such relationship ended at least 2 years prior to the appointment as an Audit Committee member. This restriction does not apply to independent directors who were previously government officials or advisors to government agencies that are major shareholders or controlling persons of the Company.

3) Must not have, nor ever have had, any business relationship with the Company, its parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the Company that may interfere with their independent judgment. This includes not being or having been a significant shareholder or controlling person of any entity that has a business relationship with the Company, its parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the Company, unless such relationship ended at least 2 years prior to assuming the position of Audit Committee member. Furthermore, the member must not have any direct or indirect interest, whether financial or managerial, in the Company, its group companies, affiliates, or any person who may have a conflict of interest that could compromise the member's independence.

For the purposes of this clause, "business relationship" includes normal commercial transactions such as buying or selling goods or services, leasing or letting of real estate, transactions involving assets or services, and providing or receiving financial assistance such as loans, guarantees, or pledges of assets as collateral, and other similar circumstances that cause one party to owe a debt to the other. This applies where the value of such transactions is 3% or more of the Company's net tangible assets or at least THB 20 million, whichever is lower. The calculation shall follow the same method used for calculating related party transactions. Additionally, when assessing the value of such debts, the Company shall also take into account the liabilities incurred within 1 year before the date of establishing the business relationship with the same person.

4) Must not have any blood or legal relationship in the form of parent, spouse, sibling, or child—including the spouse of a child—with any other director, executive, major shareholder of the Company, controlling person, or any person nominated to be a director, executive, or controlling person of the Company or its subsidiaries.

5) Must not be a director appointed as a representative of the Company's directors, major shareholders, or shareholders who are related to major shareholders. Additionally, the member must be capable of expressing opinions or reporting independently on assigned matters, without being influenced by interests or constraints that would compromise their ability to express an independent opinion as expected.

6) Must not be, nor ever have been, an auditor of the Company, its parent company, subsidiaries, affiliates, major shareholders, controlling persons, or any person who may have a conflict of interest. Must not be a significant shareholder, controlling person, or managing partner of an audit firm that currently employs the Company's auditor or the auditor of its parent company, subsidiaries, affiliates, major shareholders, or controlling persons, unless such relationship ended at least 2 years prior to assuming the position of Audit Committee member.

7) Must not be, nor ever have been, a provider of any professional services, including legal or financial advisory services, who has received service fees exceeding THB 2 million per year from the Company, its parent company, subsidiaries, affiliates, major shareholders, or controlling persons. Must also not be a significant shareholder, controlling person, or partner of such service provider, unless such relationship ended at least 2 years prior to assuming the position of Audit Committee member.

8) Must not operate a business of the same nature and in significant competition with the Company or its subsidiaries. Must also not be a significant partner in a partnership, or a director involved in management, employee, staff member, salaried advisor, or a shareholder holding more than 1% of the total voting shares of any other

company that operates a business of the same nature and in significant competition with the Company or its subsidiaries.

9) Must not possess any other characteristics that would impair the ability to independently express opinions regarding the Company's operations.

In cases where a person nominated to be appointed as an independent director has or had a business relationship or provided professional services exceeding the thresholds specified in Clause (ค) or (ช) above, the Company may consider appointing such person as an independent director. However, the Company must obtain an opinion from the Board of Directors indicating that it has considered the principles under Section 89/7 of the Public Limited Companies Act B.E. 2535 (as amended) and concluded that the appointment of such person does not affect the performance of duties and the ability to provide independent judgment. The Company must also disclose the following information in the notice of the shareholders' meeting where the appointment of such person as an independent director is to be considered:

1) The nature of the business relationship or professional services that causes the individual to not meet the specified qualifications.

2) The reasons and necessity for maintaining or appointing such person as an independent director.

3) The opinion of the Board of Directors in proposing the appointment of such person as an independent director.

An individual appointed as an independent director who meets the qualifications under items (ก) to (ฌ), including the exception related to business or professional service relationships above, may be assigned by the Board of Directors to participate in decision-making on the operations of the Company, its subsidiaries, affiliates, major shareholders, or controlling persons, in the form of a collective decision.

(2) Must possess adequate knowledge and experience to effectively perform duties as an Audit Committee member as assigned, and must be able to exercise independent judgment.

(3) At least one member must have sufficient knowledge, expertise, and experience in accounting or financial management to be able to review the reliability of financial statements.

(4) Must not be a director authorized by the Board of Directors to make decisions on the operations of the Company, its parent company, subsidiaries, affiliates, entities in the same tier of subsidiaries, major shareholders, or controlling persons of the Company.

(5) Must not be a director of the parent company, subsidiaries, or entities in the same tier of subsidiaries that are listed companies.

4. TERM OF OFFICE

(1) An Audit Committee member shall serve a term of 3 years from the date of appointment, in alignment with the term of the Board of Directors. Upon the end of the term, the Audit Committee member may be reappointed. However, an Audit Committee member may serve no more than three consecutive terms or a total of 9 years. Any Audit Committee member who has already served more than 9 years as of the effective date of this new Audit Committee Charter shall continue in office in accordance with the previous rules and shall retain their authority as per the previous charter until the completion of their current term, without the need for re-election or reappointment.

(2) In addition to the expiration of the term stated in item (1) above, an Audit Committee member shall vacate office upon:

1) Ceasing to be a director of the Company;

2) Losing the required qualifications or possessing any prohibited characteristics as prescribed by law;

3) Resignation, by submitting a resignation letter to the Board of Directors, effective from the date stated in the letter or the date the letter reaches the Company, whichever is later;

4) Is removed from office by resolution of the Board of Directors;

5) Passes away.

(3) In the event of a vacancy in the Audit Committee, the Nomination and Remuneration Committee shall consider and select a qualified person who does not possess any prohibited characteristics to serve as a replacement Audit Committee member, and propose such person to the Board of Directors for appointment. The replacement member shall hold office only for the remaining term of the member being replaced.

5. Scope of Authority, Duties, and Responsibilities

(1) Review to ensure that the Company's financial reporting is accurate, complete, and sufficiently disclosed to ensure fairness and equality among shareholders. This includes coordinating with external auditors and management responsible for preparing quarterly and annual financial reports, with an emphasis on the quality and reliability of the financial information.

(2) Review to ensure that the Company has an appropriate and effective internal control system and internal audit system, and assess the independence of the internal audit unit. The Audit Committee shall also approve decisions regarding the appointment, transfer, or termination of the head of the internal audit unit or any other unit responsible for internal auditing.

(3) Review to ensure that the Company complies with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, and other relevant laws related to the Company's business, as well as the Company's Articles of Association, internal policies, operating procedures, and Code of Business Conduct.

(4) Review to ensure that the Company has effective processes for supervising information technology operations and data security in accordance with international standards.

(5) Consider, select, nominate, and propose the appointment or removal of an independent person to serve as the Company's external auditor, as well as propose the remuneration for such person. The Audit Committee shall also meet with the auditor at least once a year without management present.

(6) Review Related Party Transactions or transactions that may involve conflicts of interest to ensure compliance with the Securities and Exchange Act and the regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and in the best interests of the Company. The Audit Committee shall also review the disclosure of such transactions to ensure accuracy and completeness.

(7) If the Company's external auditor discovers any suspicious activity involving a director, executive, or any person responsible for the operations of the Company or its subsidiaries that may violate the law, and reports such incident to the Audit Committee, the Audit Committee must promptly conduct further investigation and submit a preliminary report to the SEC and the external auditor within 30 days from the date of receiving such report.

(8) Prepare an Audit Committee report for disclosure in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and must include at least the following information:

    (a) Opinion on the accuracy, completeness, and reliability of the financial statements of the Company and its subsidiaries;

    (b) Opinion on the adequacy of the internal control systems of the Company and its subsidiaries;

(c) Opinion on compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or applicable laws related to the business of the Company and its subsidiaries;

(d) Opinion on the suitability of the external auditor;

(e) Opinion on transactions that may involve conflicts of interest or Related Party Transactions;

(f) Number of Audit Committee meetings held and the attendance of each Audit Committee member;

(g) Overall opinions or observations arising from the Audit Committee's performance of duties under the Charter;

(h) Any other matters deemed necessary for shareholders and general investors to know, within the scope of duties and responsibilities assigned by the Board of Directors.

(9) In performing its duties, if the Audit Committee finds or suspects the existence of any of the following matters that may have a material impact on the financial position or operating results of the Company, the Audit Committee shall report such matter to the Board of Directors for corrective action within a timeframe deemed appropriate by the Audit Committee:

(a) A transaction that involves a conflict of interest;

(b) Fraud, irregularity, or a significant deficiency in the internal control system;

(c) Violation or non-compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws relevant to the Company's business.

If the Board of Directors or management fails to take corrective action within the specified timeframe, any Audit Committee member may report the matter to the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand.

(10) The Audit Committee may seek independent professional advice from external advisors as deemed necessary, at the Company's expense.

(11) Perform any other duties as assigned by the Board of Directors as appropriate.

(12) Review the accuracy of supporting documents and the self-assessment form regarding the Company's anti-corruption measures in accordance with the Thai Private Sector Collective Action Coalition Against Corruption (CAC) initiative.

6. Meetings

(1) The Audit Committee shall hold meetings at least once per quarter. A quorum shall be constituted when no less than half of the total number of Audit Committee members are present. For the review of quarterly or annual financial statements, at least one Audit Committee member with knowledge and experience in accounting and finance must attend the meeting.

Meetings of the Audit Committee may be conducted via electronic media, provided that such meetings comply with the Company's regulations and applicable laws.

(2) The Audit Committee shall hold at least one meeting per year with the Company's external auditor without management present. This meeting may be arranged as a special meeting in addition to the regular meetings, or as a separate agenda item during a regular Audit Committee meeting.

(3) The Chairman of the Audit Committee shall act as the chair of the meeting. In the event the Chairman is absent or unable to perform their duties, the attending Audit Committee members shall select one among themselves to act as chairperson of the meeting.

(4) Any Audit Committee member who has a conflict of interest in the matter under consideration shall not participate in the review or vote on that matter.

(5) Decisions of the Audit Committee shall be made by a majority vote of the members present. Each member shall have one vote. In the case of a tie, the chairperson of the meeting shall have a casting vote.

(6) The Audit Committee has the authority to invite members of the Board of Directors, executives, employees, or relevant persons to attend meetings to provide explanations, engage in discussions, or answer questions as deemed appropriate.

(7) For meeting invitations, the Chairman of the Audit Committee, the secretary to the Audit Committee, or a person delegated by the Audit Committee under the Chairman's instruction shall send a notice of meeting to all Audit Committee members at least 3 days in advance. In urgent cases, the meeting notice may be delivered by other means or the meeting may be scheduled earlier.

The invitation to the meeting and supporting documents for all Audit Committee members may be delivered via electronic mail by the secretary to the Audit Committee or a person delegated by the Audit Committee. The secretary or the delegated person must retain copies of the meeting invitation and supporting documents as evidence, which may be stored in electronic format.

(8) The secretary to the Audit Committee or a delegated person shall prepare the minutes of the meeting. The Chairman of the Audit Committee or a delegated person shall report the meeting outcomes to the Board of Directors to keep the Board informed of the activities of the Audit Committee.

## 7. Reporting

The Audit Committee is responsible for reporting to the Board of Directors at least once a year on matters related to the Company's internal audit activities. This is to ensure that the Board of Directors is informed of and aware of key audit issues, as well as any factors that may affect the Company's audit status in the future.

In addition, the Audit Committee shall prepare a performance report for disclosure in the Company's annual report, in accordance with the principles of good corporate governance.

## 8. Performance Evaluation

To comply with the principles of good corporate governance, the Audit Committee shall conduct a performance evaluation at least once a year, in the form of both individual and collective assessments. The results will serve as a framework for reviewing the Committee's performance, identifying challenges and obstacles encountered during the year, and incorporating suggestions for improvement. The aim is to enhance the Audit Committee's effectiveness for the maximum benefit of the shareholders and the organization.

## 9. Review and Amendment of the Charter

The Audit Committee shall regularly review and assess the appropriateness of this Charter at least once a year, to ensure that its contents remain aligned with the Company's audit objectives and strategies. Any material amendments to the Charter must be approved by the Board of Directors.

This Charter of the Audit Committee was reviewed and approved by the Board of Directors at Meeting No. 9 held on **9 December 2024**, and shall be effective from **9 December 2024** onward.