

## **Charter of the Audit Committee**

i-Tail Corporation Public Company Limited (“**The Company**”) has adhered to the importance of the good corporate governance system for transparent, lawful and honest business operation to its shareholders, suppliers and customers.

The Audit Committee has been established with the approval of the Board of Directors as an independent unit for support and practice of good corporate governance in the name of the Board of Directors to ensure that the Company’s operation shall be in accordance with the Code of Conduct and its effective internal control system shall be maintained without any conflict of interests and corruption. In addition, the correctness and reliability of the accounting system, the internal audit system and the process of financial reporting of the Company shall be monitored. Therefore, the Board of Directors has passed its resolution to prescribe this Charter of the Audit Committee, with the following details:

### **Components**

1. The Board of Directors shall appoint the Audit Committee
2. All members of the Audit Committee shall be independent directors of the Company
3. The Audit Committee shall consist of not less than 3 members; whereas, at least 1 member of the Audit Committee shall have adequate knowledge, understanding or experiences in accounting and finance or auditing to perform duties of reviewing of reliability of financial statements. In addition, the Company shall consider other qualifications consisting of business experiences and expertise and ethics, etc.
4. The Chairman of the Audit Committee may be appointed by the Board of Directors, or may be selected from any member of the Audit Committee to assume the office of the Chairman of the Audit Committee.
5. The Audit Committee shall appoint a qualified person to act as the Secretary to the Audit Committee.

### **Qualifications**

1. Having assumed the office of the Company’s director
2. Having qualifications as prescribed by the related laws, particularly the Public Limited Companies Act and the Securities and Exchange Act, Notifications of the Office of the Securities and Exchange Commission, Notifications of the SET Board, any other notifications, rules, regulations and/or the related regulations
3. Being able to perform duties and to express opinions or to report the work performances as per the assigned duties independently without being subject to the control of executives or majority shareholders of the Company, including related parties or close relatives of such parties
4. Being a reliable and recognized person and being able to devote adequate time to the performance of duties of the Audit Committee
5. Holding shares equal to not exceeding 0.05% of the total voting shares of the Company, a parent corporation, subsidiaries, associated companies, majority shareholders or the authorized controller of the Company, thus, including the shareholding of related parties of such independent directors
6. Not being or used to be an executive director, worker, employee, consultant with regular income or the authorized controller of the Company, a parent corporation, subsidiaries, associated companies, subsidiaries ranking pari passu, majority shareholders or of the authorized controller of the Company unless having been released from such position for not less than 2 years before the

date of submitting an application for license to the Office of the Securities and Exchange Commission; provided that such prohibited characteristics shall not include the case of a member of Audit Committee who used to be a civil servant or consultant of government agency which is the majority shareholder or the authorized controller of the Company

7. Not being a person with blood relationship or legal registration as parent, spouse, sibling and child, including spouse of the child or of other director, executive, majority shareholder, the authorized controller, or person who shall be nominated as director, executive or the authorized controller or subsidiary
8. Having no direct or indirect benefits or interests in finance and management of the Company, a parent corporation, subsidiaries, associated companies, majority shareholders or the authorized controller of the Company; and having never had such benefits or interests within a period of 1 year before being appointed as a member of Audit Committee, except that the Board of Directors has thoroughly considered the matter and agreed that such previous possession of benefits or interests shall not affect the performance of duties and giving of independent opinions of a member of Audit Committee
9. Having no or previous business relationship with the Company, a parent corporation, subsidiaries, associated companies, majority shareholders or the authorized controller of the Company in the manner which may obstruct the exercise of independent discretion of such director; and not being or used to be a significant shareholder or the authorized controller of the person who has business relationship with the Company, a parent corporation, subsidiaries, associated companies, majority shareholders or the authorized controller of the Company unless having been released from such position for not less than 2 years before the date of having been appointed to assume the office
10. Not being or used to be the auditor of the Company, a parent corporation, subsidiaries, associated companies, majority shareholders or the authorized controller of the Company; and not being a significant shareholder or an authorized controller or a partner of an audit office supervising the auditor of the Company, a parent corporation, subsidiaries, associated companies, majority shareholders or the authorized controller of the Company unless having been released from such position for not less than 2 years before the date of having been appointed to assume the office
11. Not being or used to be any professional service provider, including service provision as a legal consultant or a financial consultant who has received the service fees of exceeding 2 million Baht per year from the Company, a parent corporation, subsidiaries, associated companies, majority shareholders or the authorized controller of the Company; and not being or used to be a significant shareholder or the authorized controller or a partner of such professional service provider unless having been released from such position for not less than 2 years before the date of having been appointed to assume the office
12. Not being a director who has been appointed as a representative of director of the Company, the majority shareholder or of a shareholder who is related to the majority shareholder
13. Not operating a business of similar condition and having significant competition with the business of the Company or subsidiaries; or not being a significant partner in a partnership or being an executive director, worker, employee, consultant with regular income or holding shares equal to exceeding 1% of the total voting shares of other company operating a business of similar condition and having significant competition with the business of the Company or subsidiaries
14. Not having any other characteristics which prevent the presentation of independent opinions relating to the Company's operations

15. Not being a director who the Board of Directors has assigned to make decisions in the business operation of the Company, a parent corporation, subsidiaries, associated companies, subsidiaries ranking pari passu, majority shareholders or of the authorized controller of the Company
16. Not being a director of a parent corporation, subsidiaries, associated companies or registered subsidiaries ranking pari passu only

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

1. Review the financial reporting system and the disclosure of data in financial statements under the financial reporting standard and as prescribed by laws transparently, correctly and adequately
2. Promote the development of the financial reporting system to meet an international standard of financial reporting
3. Review the internal control system of the Company in accordance with proper and effective framework of internal control and internal audit as per methods and the generally accepted international standards
4. Review the evaluation form of adequacy of the internal control system which has been audited and evaluated by the Internal Audit to ensure that the Company has an adequate internal control system
5. Review the preventive work system in favor of units to increase the efficiency and the effectiveness of performance of works; and review the internal processes of the Company relating to whistleblowing and complaint handling
6. Review the audit process and the risk management system of the organization
7. Review the process of control and follow-up of performance of works under the Securities and Exchange Act, regulations and other laws relating to the Company's businesses, including resolutions of the Board of Directors' Meeting
8. Review the correctness and efficiency of the IT system relating to the internal control, financial reporting, risk management, maintenance of data safety and security and the networking system; and propose guidelines for up-to-date improvement
9. Consider the related transactions or transactions with potential conflicts of interests to be in accordance with the laws and requirements of the Stock Exchange of Thailand
10. Facilitate the members of the Audit Committee to have the overall and individual self-assessment at least once a year and report the assessment results to the Board of Directors
11. Review and give opinions on the performance of works of the Internal Audit ; and coordinate with the auditor
12. Prepare a report the Audit Committee to be disclosed in the One Report of the Company and signed by the Chairman of the Audit Committee; and give opinions on different matters as per the Requirements of the Stock Exchange of Thailand
13. Consider, select and nominate or dismiss an independent auditor of the Company; and propose remunerations and evaluate the work efficiency of the Company's auditor; and organize a meeting with the auditor without meeting attendance by the Management at least once a year
14. Consider and approve the internal audit work plan, budgets and manpower of the Audit Business Line
15. Review the audit performance appraisal of the Internal Audit under the international standard
16. Approve the appointment, removal, transfer, or dismissal of the Head of Internal Audit

17. Consider the independence of the Audit Business Line from the performance of duties and reports, including the chain of command
18. Review the adequacy of the governance system of the Company and domestic and overseas subsidiaries
19. Consider and provide an external consultant to give advice or assistance on the internal audit
20. Review the Charter of the Audit Committee and the Charter of the Internal Audit properly at least once a year
21. Visit units within the Company and local and overseas subsidiaries to review the work system, the risk management system, the internal control system, the environmental management system, the active information system, including the cyber security as well as problems relating to the financial statements preparation, problems relating to the auditor and the internal auditor; and visit factories to see the production process, warehouse management and the general environmental management
22. Review the anti-corruption process as per the effective guidelines of the regulatory unit starting from the risk management, establishment of the internal control system, audit and review of the self-assessment form relating to the anti-corruption measures as audited and evaluated by the Internal Audit to ensure that the Company has the anti-corruption systems as reported in the self-assessment form of the Thai Institute of Directors
23. Review and consider together with the management of the Management Discussion and Analysis ("MD&A")
24. Take any other actions as prescribed by the laws or as assigned by the Board of Directors with approval from the Audit Committee

### **Meetings**

1. Organize the Audit Committee's meetings at least 4 times a year to consider quarterly financial statements, internal audit reports and other matters as per the scope of powers and duties; provided that the Chairman of the Audit Committee may summon a special meeting to consider other urgent and necessary matters as it may deem expedient
2. Regarding the summoning of the Audit Committee's Meeting, the Chairman of the Audit Committee or the Secretary to the Audit Committee by order of the Chairman of the Audit Committee shall send invitations for the meeting to the member of the Audit Committee not less than 7 days before the date of the meeting, except in case of exigency, an appointment for a meeting may be notified by other methods or the date of the meeting may be fixed sooner
3. In the Audit Committee's Meeting, at least half of the total number of Audit Committees shall attend the meeting to constitute a quorum, provided that the members of the Audit Committee may attend the meeting in person or by other methods.
4. In case, the Chairman of the Audit Committee is not present in the Meeting or unable to perform duties, then, the Audit Committee attending the Meeting may select a member of Audit Committee to preside over the Meeting
5. The adjudication of the Meeting shall be decided by the majority votes. In case of a tie, the Chairman of the Meeting shall have one additional casting vote.
6. Any member of the audit committee who has interests in any matter shall not be entitled to cast votes thereon.
7. The Secretary to the Audit Committee shall not be entitled to cast votes.

8. The Chairman of the Audit Committee shall report the meeting results to the Board of Directors' Meeting for acknowledgment at least twice a year.

#### **Term in Office**

1. The member of the Audit Committee shall have a term in office of 3 years each.
2. The member of the Audit Committee who has been released from office by rotation and may be reelected as the Board of Directors may deem suitable.
3. The member of the Audit Committee shall be released from office upon:
  - a. Retirement by rotation
  - b. Being released from the status of the Company's Director
  - c. Resignation
  - d. Death
  - e. Disqualification from the status of the member of the Audit Committee under these Regulations or as per the criteria of the Office of the Securities and Exchange Commission or any other notifications, rules, regulations, and/or related regulations
  - f. Being released from office by resolution of the Board of Directors Meeting or the Shareholders' Meeting
4. In case of resignation of the member of the Audit Committee before retirement by rotation, the member of the Audit Committee shall submit a resignation form and clarify the reason for resignation to the Chairman of the Board of Directors in advance for not less than 30 days, except in necessary and reasonable cases; whereby, the Company shall promptly notify the matter of resignation thereof to the Stock Exchange of Thailand.
5. In case of vacancy of the office of the member of the Audit Committee due to reasons other than retirement by rotation, the Board of Directors may appoint a qualified person to perform the duties and to fill in such vacancy, except in case, it appears that such vacancy of the office of the member of Audit Committee may cause the non-conformity of components of the Audit Committee with the prescribed criteria. The Board of Directors shall promptly appoint a qualified person to perform the duties and to fill in such vacancy not exceeding 3 months after the vacancy of the office of the member of Audit Committee so that components of the Audit Committee shall be in conformity with the prescribed criteria, and such appointment thereof shall be notified to the Stock Exchange of Thailand; provided that the person who has been appointed to assume the office of the member of Audit Committee as above-mentioned shall be in office for the remaining term in office of the member whom he/she replaced.

#### **Remunerations**

The Board of Directors shall consider and fix the remunerations of the Audit Committee; provided that such remunerations of the Audit Committee shall be considered and approved by the Board of Directors' Meeting and shall be proposed to the Shareholders' Meeting for approval with the votes of not less than two-third of the total number of votes of shareholders attending the Meeting.

(Translation)



This Policy has been approved by the Board of Directors and will be effective from May 2, 2024, onwards.

(Mr. Cheng Niruttinanon)  
Chairman of the Board of Directors  
i-Tail Corporation Public Company Limited