

Audit Committee Charter

Objectives

The Board of Directors of CP ALL Public Company Limited recognizes the importance of good corporate governance. In this regard, the Board of Directors has appointed the Audit Committee in order to assist the Board of Directors in governance according to international standards with correct and transparent guidelines, to have a creditable financial reporting system which will be beneficial to all related parties, and in compliance with Chapter 3/1 of the Securities and Exchange Act B.E. 2535 which was amended by the Securities and Exchange Act (No. 4) B.E. 2551. To ensure that the Audit Committee performs its duties with efficiency and effectiveness and achieves its objectives, the Board of Directors Meeting resolved the adoption of this Audit Committee Charter.

Composition and Qualifications

- 1) The Audit Committee shall comprise at least three (3) Directors, whereby all are required to be Independent Directors as well as not be executives of the Company. The Members of the Audit Committee shall be appointed by the Board of Directors.

When the term of service of the Committee Members expires or there is any circumstance causing any Committee Member to be unable to hold office until expiration of the term of service, thus making the number of the Committee Members to be lower than the prescribed number of three (3) persons, the Board of Directors shall appoint the new Committee Member(s) to fill up the vacancy(ies) immediately or no later three (3) months from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.

- 2) At least one (1) of the Audit Committee Members shall have sufficient knowledge and experience in accounting or finance to perform the review of the credibility of the financial statements, and be consistently knowledgeable of events affecting the changes in financial reporting process in order to increase the efficiency of the Audit Committee's performance.
- 3) Members of the Audit Committee shall have all required qualifications as follows:
 - (1) Owning not more than 0.5 percent of the total number of shares with the right to vote and issued by the Company, Parent Company, Subsidiary Company, and Joint Venture Company; or of the Major Shareholder, or of a person with a controlling power over the Company. As such, this total shareholding also includes those shares owned by persons related to the respective Independent Director.
 - (2) Not being or having been a Director involved in the management of the operations of, an Employee of; or an advisor with a monthly retainer to; or a person with a controlling power over the Company, Parent Company, Subsidiary Company, Joint Venture Company, and Subsidiary Company of the same status, Joint Venture Company, the Major Shareholder of, or a person with a controlling power over the Company; unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee. As

such, this prohibited qualification is not applicable in the event that the Independent Director used to be a Civil Servant or an advisor to the Government Agency/ organization that is a Major Shareholder of or a party with a controlling power over the Company.

- (3) Not being a person who has a relationship, by blood or by legal registration, as a parent, spouse, sibling or children, as well as spouse of the children, of an Executive of, a Major Shareholder of, a person with a controlling power over, as well as a person proposed to be appointed as an Executive or as a person with a controlling power over, the Company or Subsidiary Company.
- (4) Not being or having been a person with a business relationship with the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as with a Major Shareholder of or a person with a controlling power over the Company, so as to may be an obstacle to exercising judgments in a fully independent manner. This also includes not being or having been a significant Shareholder of a party or having a controlling power over a party with a business relationship with the Company, Subsidiary Company, Joint Venture Company as well as with a Major Shareholder of or a person with a controlling interest of the Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.
- (5) Not being or having been an Auditor of the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as of a Major Shareholder of or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder of, a person with a controlling power over, or a Partner of the Audit firm of the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as of a Major Shareholder of or a person with a controlling power over the assigned Company. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.
- (6) Not being or having been a person providing any professional services, including legal or financial advisory services, with an annual professional fees payment of more than Baht 2.0 million, to the Company, Parent Company, Subsidiary Company, Joint Venture Company, as well as to a Major Shareholder of or a person with a controlling power over the Company; as well as not being or having been a significant Shareholder, a person with a controlling power over, or a Partner of the Professional Services firm in question. This is unless the person in question no longer is in such a position or has such a status for not less than 2 years prior to being appointed to the Audit Committee.
- (7) Not being or having been a Director appointed to represent a Director of the Company, a Major Shareholder, or a Shareholder associated with a Major Shareholder.
- (8) Not having a business similar to or the same as or that is a significant competitor of the Company or Subsidiary Company; or not being a significant Shareholder in a Business Partnership, or a Director actively involved in managing the business

operations, Employee or Staff of, or an advisor who receives a monthly retainer to; or owning more than 0.5% of the total voting shares of a company/business that operates a business similar to or the same as or is a significant competitor of the Company or Subsidiary Company.

- (9) Not being a person who is in a position to not be able to exercise judgment in a fully independent manner with regards to the operations of the Company.
- (10) Not being a Director assigned by the Board of Directors to decide on matters relating to conduct of business and operations of the Company, Parent Company, Subsidiary Company, Subsidiary Company of the same status, Joint Venture Company, as well as of the Major Shareholder of or a person with a controlling power over the Company; unless such a decision is a collective decision.
- (11) Not being a Director of the Parent Company, Subsidiary Company or Subsidiary Company of the same status, whereby this is applicable only to listed companies.
- (12) A Member of the Audit Committee must be able to dedicate and devote time in an adequate manner to the activities of the Audit Committee; and should receive ongoing training so as to improve knowledge relating the activities of the Audit Committee, in order to be always up to date with the ongoing changes that may occur and to further improve the working effectiveness, efficiency and productivity of the Audit Committee.

- 4) The Board of Directors or the Audit Committee shall select and appoint one (1) Member of the Audit Committee to be the Chairman of the Audit Committee.
- 5) The Audit Committee may appoint the Secretary of the Audit Committee to assist with the work of the Audit Committee relating to meeting preparation and liaison in preparing reports to the Board of Directors or any related units.
- 6) Members of the Audit Committee, including the Chairman of the Audit Committee, have a term of office that is concurrent with being a Director of the Company; whereby a Member of the Audit Committee will cease to hold that position due to the expiration of the current term of office, but can then be re-elected for another term.

Additionally, apart from the expiration of the current term of office, a Member of the Audit Committee will cease to hold the position, in the event of:

- (1) Death
- (2) Resignation
- (3) No longer being a Director or Independent Director of the Company
- (4) The Board of Directors of the Company approves to terminate the term of office or to remove the person from being a Member of the Audit Committee
- (5) Not possessing all the required qualifications or possessing any prohibited qualifications, as specified by the Securities and Exchange Commission and the Public Company Act

In the case that an Audit Committee position becomes vacant for any reason other than the expiration of the term of office, then the Board of Directors of the Company can appoint a

person who possesses all the required qualifications to be a replacement Member of the Audit Committee for the remaining term of office of the Member being replaced.

In the event that a Member of the Audit Committee wishes to resign prior to completing the current term of office, the Company should be informed together with the reason for the resignation, so that the Board of Directors can then consider appointing another qualified Director to replace the Member who is resigning.

Scope of Authority and Duties

- 1) The Audit Committee has the following authority, duties and responsibilities:
 - (1) Review and ensure that the Company has and submits financial reports that are correct, accurate and adequate.
 - (2) Review and ensure that the Company has in place both internal control and internal audit systems that are appropriate and effective; as well as considers and monitors the independence of the Internal Audit Office together with considering the appointment, transfer, or termination of the Head of the Internal Audit Office.
 - (3) Review and ensure that the Company fully complies with all laws on securities and securities exchange, the regulations of the Stock Exchange of Thailand, and other laws applicable to the Company's business.
 - (4) Consider and select, as well as propose the appointment of qualified external Auditor/Auditors together with the associated audit fee; whereby the consideration process should take into account the level of independence, credibility, availability of people resources together with the experience of the assigned auditors to audit the Company's accounts. Furthermore, a meeting should also take place with the authorized external Auditor of the Company, without the participation of management, at least once a year.
 - (5) Consider and review all proposed related transactions or those transactions that may involve a conflict of interest, so that they comply with the applicable laws and regulatory requirements of the Stock Exchange of Thailand. As such, this is to ensure that such transactions are reasonable and for the maximum benefits of the Company.
 - (6) Prepare the Report of the Audit Committee and disclose the Report in the Company's Annual Report; whereby the Report is to be signed by the Chairman of the Audit Committee and must consist of all the following information and details as required and specified by the Capital Market Supervisory Board and the Stock Exchange of Thailand
 - (a) Opinion on the correctness, accuracy, and comprehensiveness, together with the credibility of the Company's financial reports
 - (b) Opinion on the adequacy of the Company's internal control system
 - (c) Opinion on the compliance with the laws on securities and securities exchange, the regulations of the Stock Exchange of Thailand, and laws applicable to the Company's business
 - (d) Opinion on the suitability of the external Auditor
 - (e) Opinion on transactions that may cause conflicts of interests

- (f) Number of Audit Committee meetings held during the year, and the attendance record of each Member of the Audit Committee
 - (g) Overall opinion or comments received by the Audit Committee from its performance of duties in accordance with the Audit Committee Charter
 - (h) Other transactions which should be known to Shareholders and general investors, subject to the scope of duties and responsibilities as assigned by the Company's Board of Directors
- (7) Review compliance with the established anti-corruption policy and operating guidelines on fraud and corruption.
 - (8) Review the effectiveness and efficiency of the established risk management measures, such as strategic, operational, financial, compliance, social, environmental, economic, tax and corruption risks.
 - (9) Undertake any other activities as assigned by the Board of Directors and with the concurrence of the Audit Committee; as well as prepare and submit a report of the activities of the Audit Committee to the Board of Directors at least once every quarter.

In undertaking its duties and responsibilities, the Audit Committee is directly responsible to the Company's Board of Directors; while the Board of Directors is responsible to external parties for the ongoing operations of the Company.

In the event that there are any changes to the composition or the duties and responsibilities of the Audit Committee, the Company is required to disclose and inform such changes relating to the names of the Members of and the scope of responsibilities of the Audit Committee in accordance with the format as well as procedures specified by the Stock Exchange of Thailand within three (3) working days from such changes becoming effective via the Stock Exchange of Thailand's electronic communications system.

- 2) In the performance of its duties, if it is found or suspected that a transaction or any of the following acts has taken place, which may materially affect the Company's financial condition or operating results, the Audit Committee shall report it to the Board of Directors for rectification within a period of time to be set by the Audit Committee:
 - (1) a transaction which causes a conflict of interest,
 - (2) any fraud, irregularity, or material defect in an internal control system,
 - (3) an infringement of the laws on securities and securities exchange, the Stock Exchange of Thailand's regulations, or any other law relating to the Company's business.

If the Board of Directors or management fails to make a rectification within the specified time, any Audit Committee Member may report the transaction or act to the Office of the Securities and Exchange Commission or the Exchange.

- 3) To enable the Audit Committee to achieve its objectives, the Audit Committee has authority as follows:
 - (1) Authority related to management

The Audit Committee has authority to invite management, concerned executives/department heads, or employees of the Company/subsidiary companies to attend meetings, provide explanations and opinions, or deliver documents as required and deemed necessary.

(2) Authority related to internal control

- (a) To approve the Internal Control Charter that is in line with the Company's business responsibilities
- (b) To establish understanding among the Auditor, the Board of Directors and the Internal Audit Office to ensure a unified direction
- (c) To approve the appointment, dismissal, transfer and termination of employment, and to consider the remuneration of the Head of the Internal Audit Office
- (d) To guarantee the independence of the Internal Audit Office
- (e) In performing its duties under the Audit Committee, the Internal Audit Office must prepare the annual audit plan and present it to the Audit Committee for approval. Compliance with the annual audit plan is under the supervision of management as some audit results require immediate rectification commanded by management.

(3) Authority related to the Auditor

- (a) Review and evaluate the performance of the Auditor
- (b) To propose person(s) to be the Company's Auditor(s) and the annual audit fee to the Board of Directors, which will then be approved by the shareholders' meeting, and to review and evaluate the performance of the Auditor
- (c) To determine the fee of other services and consultation work provided by the Auditor
- (d) To consult with the Auditor in the event that the Company experiences significant fraud or corruption situations
- (e) After the Audit Committee has received a case, in which the Auditor suspects that a Director or any person responsible for the Company's operations has committed an offence concerning his/her duties and responsibilities, the Audit Committee shall report preliminary findings to the Securities and Exchange Commission and the Auditor within thirty (30) days from the date the Auditor notifies the Audit Committee.

In the event that the Audit Committee fails to take action after receiving the report from the Auditor, the Auditor shall notify the Securities and Exchange Commission.

(4) Other authority

The Audit Committee has authority to audit related persons and matters under its scope of authority, duties and responsibilities. The Audit Committee has authority to seek

external consultants or professional experts to provide advice and recommendations as the Committee deems necessary and appropriate.

Audit Committee Meetings

- 1) The Audit Committee shall meet at least four (4) times per year to consider the financial reports, audit reports or other matters. The Secretary of the Audit Committee should send the meeting documents to the Audit Committee Members and other meeting participants at least seven (7) days before the meeting date to allow sufficient time to consider the issues or ask for additional information.

In addition, the Chairman of the Audit Committee may call for the Audit Committee Meeting to consider other matters as deemed necessary and appropriate.

- 2) The Audit Committee Member who has conflict of interest in any matter under consideration shall not express opinions or vote on that matter. The name of the Audit Committee Member with conflict of interest and the vested interested shall be clearly disclosed in the meeting documents for that agenda item.
- 3) For each Audit Committee Meeting, at least half of the total number of Audit Committee Members is required to make a quorum.
- 4) Each Member of the Audit Committee shall have one vote on each issue, except the Member who has conflict of interest on such issue shall not have a right to vote. Any resolution of the Meeting shall be based on majority voting. In case of equality of votes, the Chairman of the Audit Committee shall not have the casting vote. The opinions of the Audit Committee Members "for" and "against" such issue shall be reported in the minutes of the meeting and presented to the Board of Directors.
- 5) The Audit Committee should have a meeting with the Company's external Auditor to discuss matters without the presence of management at least once a year.
- 6) The Secretary of the Audit Committee should attend every meeting as he/she is responsible for preparing and presenting information to the Audit Committee for consideration, except in the case where the Audit Committee would like to meet and consider particular issues among the Members only.
- 7) The Secretary of the Audit Committee prepares the minutes of every meeting and presents the minutes to the Chairman of the Audit Committee to sign.

Others

- 1) The requirements in this Charter shall comply with the Company's Articles of Association and related laws. Definitions in the annex of this Charter shall be considered part of this Audit Committee Charter.

- 2) Any amendments to this Audit Committee Charter shall be approved by the Company's Board of Directors.

Board of Directors

Approved on 11 May 2016

1st Amendment on 10 November 2017